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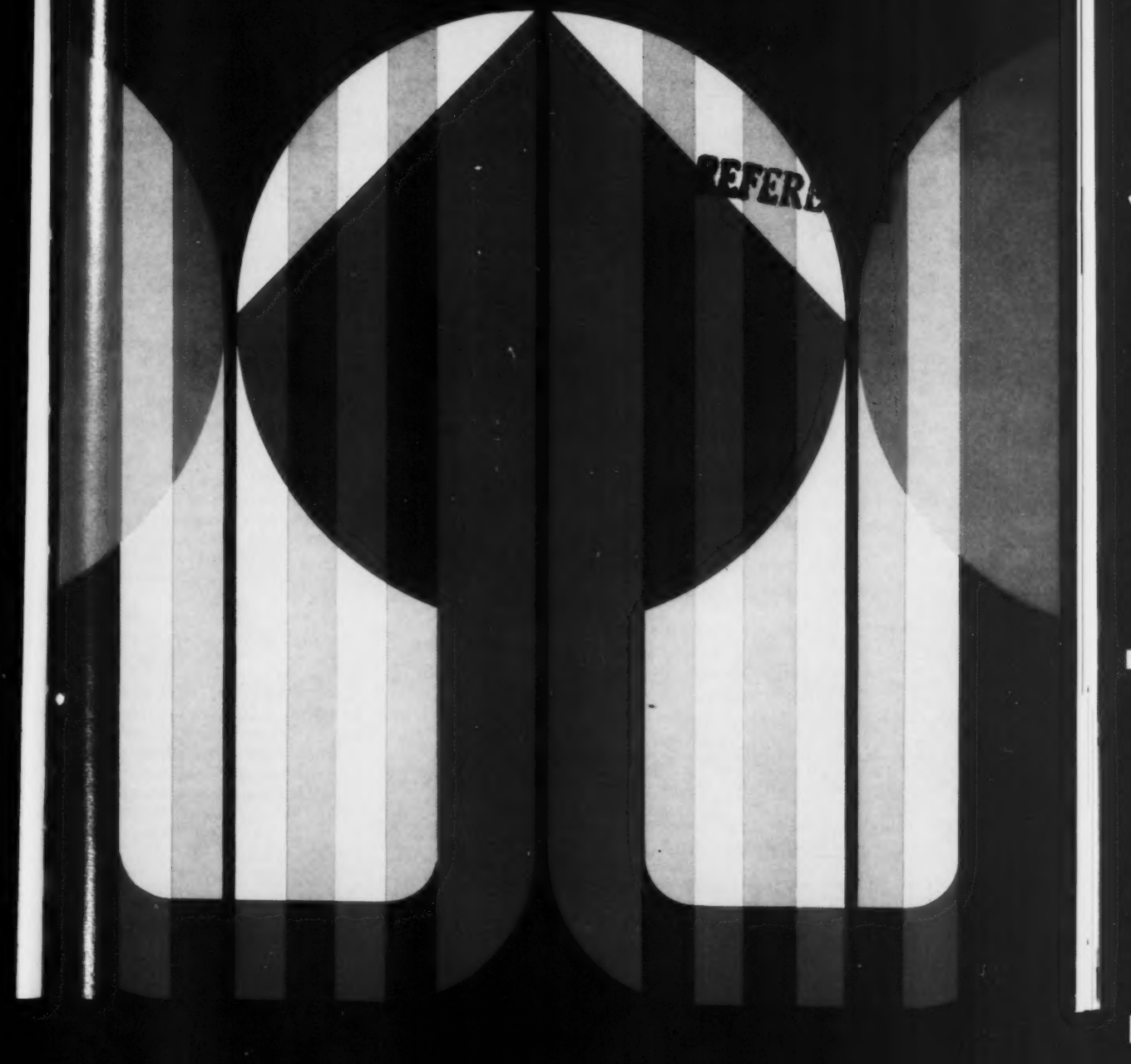

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WORTH NOTING

• VIETNAM ERA veterans were appointed to 14,000 Federal civilian jobs during the first 6 months of 1970, despite reductions in total Federal employment. While most were hired through regular competitive procedures, including veteran preference, a solid 10 percent—1,400 veterans who had been shortchanged on education—were employed through special Vietnam Readjustment Appointments.

• THE WHITE HOUSE has thrown its prestige behind a 16-point program initiated by the Civil Service Commission to assist Spanish-speaking American citizens interested in joining the Federal service. The new program was announced by the President through the White House Press Office.

• PRESIDENTIAL MANAGEMENT Improvement Awards for 1970 went to 10 individuals and 5 groups from 13 different Federal agencies. These citations recognize achievement of improved operating effectiveness and reduced governmental costs.

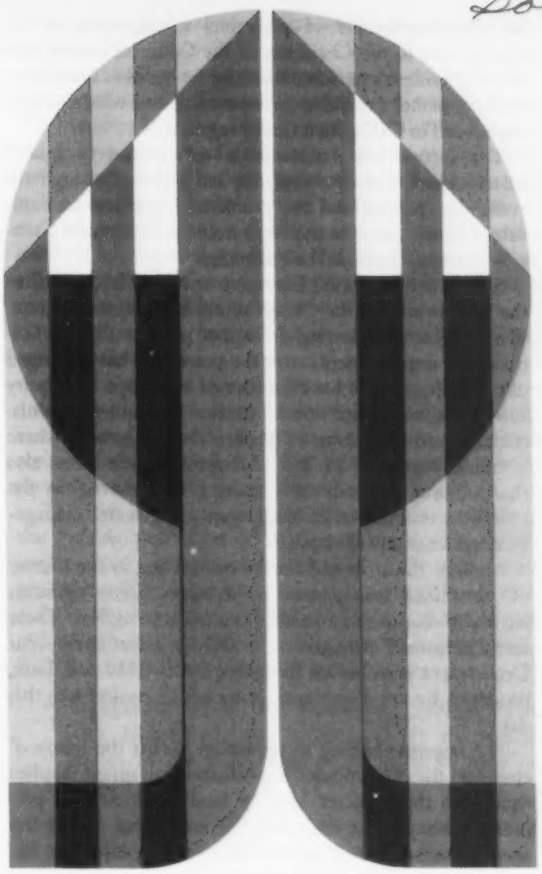
Individuals honored: Edward J. Heckman, Department of Agriculture; Vincent P. Barazzone, Naval Electronics Systems Command; Caren C. Ciampini, Hill Air Force Base, Utah; Burton W. Silcock, Alaska State Office, Department of Interior; George M. Belk, Department of Justice; Richard E. Miller, Department of Labor; Clarence B. Gels, Minneapolis Region, Post Office Department; Harold Harriman, Department of Transportation; Lester W. Plumley, Treasury Department; and Van A. Wente, National Aeronautics and Space Administration.

Group awards went to: Rural Housing Division, Farmers Home Administration; First Logistical Command, Army; 437th Military Airlift Wing, Air Force; Federal Assistance Streamlining Task Force, HEW; and Excess Property Program, AID.

• BETTER COMMUNICATION in the field of Equal Employment Opportunity in Government is being achieved by a series of conferences bringing together key personnel having similar EEO responsibilities in different agencies.

The first such conference was held in October at the Federal Executive Institute, Charlottesville, Va., led by the CSC Office of Federal Equal Employment Opportunity, in cooperation with the

new directions in personnel management evaluation



by **Gilbert A. Schulkind**
Director, **Bureau of Personnel Management Evaluation**
U.S. Civil Service Commission

THE CONCEPT of personnel management evaluation has reached a new turning point. It started after World War II hand in hand with the decentralization of personnel management authority. Its initial focus was to make sure that in giving away central authority we didn't abdicate responsibility. However, it also had the implied threat of the report card, with all the built-in defensiveness that goes with it—the idea that it was a kind of performance evaluation of the personnel officer or the manager. The role of the policeman and the ambivalence it breeds in persons subject to an outsider who second-guesses their actions have always been a big stumbling block to effective evaluation.

President Nixon's memo of October 9, 1969, made a new departure in evaluation. It emphasized the role of the Commission to help managers and personnel officers weave evaluation into the management fabric of their organizations. This article describes the new directions that our evaluation responsibility is taking by—

- Tracing the evolution of evaluation in the Federal service.
- Describing our new objectives and approaches.
- Redefining the purposes of evaluation so we can better achieve our overall objective which is more effective leadership, motivation, and utilization of people in accomplishing our primary governmental missions.

Personnel management evaluation has been around awhile. The Civil Service Act itself prescribed evaluation of a sort in requiring the Commission to make investigations and reports on the practical effects of Commission action as well as agency action in accomplishing the purposes of the Civil Service Act.

It was Executive Order 9830 of February 24, 1947, which really served to bring personnel management evaluation into being for the Civil Service Commission. Evaluation or "inspection" was viewed as a necessary element of a broader action flowing from the Executive order: delegation of personnel authorities to the agencies.

These delegations to the agencies, together with subsequent laws and Executive orders in such areas as position classification and performance rating, were the fundamental reasons why the Civil Service Commission had to get into the evaluation business. The theory of "delegating authority" comes into play here. For by delegating authority the CSC did not relieve itself of responsibility for agency actions taken under the delegation. It needed a means to show how well the delegated authorities were being exercised and "inspection" or personnel management evaluation was that means.

But there was more to Executive Order 9830 and more to evaluation than simply "policing" agency actions. The Executive order also assigned to the Commission responsibility for providing leadership in personnel matters throughout the Federal service. This has had even broader implications for the evaluation program by adding two new roles for evaluation: feedback and motivation.

The feedback is in two directions. To the agency head

on the effectiveness of personnel management in his agency, and to the Chairman of the Commission, because as the President's personnel advisor he needs to know how well personnel programs are operating and what changes are needed in CSC policies and programs.

The second role—motivation—is directed to agency management. Simply stated, we are seeking through the evaluation process and the problems it surfaces to motivate managers to take the steps necessary to improve personnel management in their agencies.

So this broadly based Executive order really established the framework for the Commission's evaluation program. We have moved forward from that point with modifications and improvements over the years. We have changed our techniques. We have broadened our scope of inquiry and assessment from one of narrow personnel administration to an evaluation of personnel management where it really happens—in the line activity. We have also changed our methods of reporting and moved in the 1960's to evaluations of total agency personnel management on a nationwide basis.

Another thing should not be overlooked in the history of personnel management evaluation. Some agencies have also recognized a need to evaluate themselves. There was a personnel management evaluation effort in the War Department even before Executive Order 9830 and, later, programs by Air Force and Army which continue to this day.

The important thing to remember is that the raison d' etre for the Commission's evaluation program applies equally to the agencies' need to establish their own personnel management evaluation systems. That is, the top agency manager has a responsibility for assuring that the authorities he has delegated are being carried out and managers at all levels need to concern themselves with assessing the effectiveness of personnel management in their organizations. This increasing awareness of the need and importance of evaluation to good personnel management brings us into the present, the Presidential memo of October 9, 1969, and the new directions in Government-wide personnel management evaluation.

GROUNDWORK FOR NEW APPROACH

The May 1968 Personnel Directors' Conference called by CSC actually laid much of the groundwork for the new approach to evaluation. The conference participants came up with several reasons why agencies should undertake and assume responsibility for evaluating their own personnel management.

First, the conferees pointed out that there was a *need* for a new direction. To be responsive, the evaluation role must grow along with the broader role of the personnel function. The evaluation job is of such magnitude that the Commission cannot realistically be expected to undertake the whole job for the entire Federal Government.

Second, there was *logic* in the recommendation for a new direction. Evaluation is a basic part of the manager's responsibility. Without evaluation managers cannot be in a position to direct and guide the operation of their programs with maximum effectiveness.

And finally, the new direction was *practical*. Evaluation can be most effective in bringing about improvement if it is made at the level where authority to make changes lies.

So with these underlying reasons in mind the conference brought forth two broad objectives for personnel management evaluation:

- To get agencies, with participation both by staff specialists and managers, to assume a more active, more direct, and continuing role in the evaluation of personnel management.

- To reorient the Commission's inspection program away from a primary emphasis on direct review of agency personnel operations to a program which complements and supplements a more active role for agencies.

The recommendations of the conference fit perfectly with the thinking of CSC Chairman Robert E. Hampton as to the direction we ought to be taking in personnel management evaluation in the Federal Government. So, with Chairman Hampton leading the way, we proceeded to lay the foundations for the new direction. The first step was the establishment of an Interagency Advisory Group Committee to work out some of the basics of our new approach. The Committee did an enormous amount of work in compiling an inventory of existing agency evaluation systems, establishing minimum requirements for agency systems, proposing evaluation methods, and setting forth guidelines for the selection and training of evaluators. Then came the Presidential memo of October 9 on improving personnel management.

THE PRESIDENTIAL MEMO

In the January–March 1970 issue of the *Journal*, Chairman Hampton described the October 9 memo as "a landmark directive that reemphasizes and revitalizes the importance of the personnel function in good management."

While the President's memo covered many things, the basic charge is that "Each executive department and agency [head] shall also establish a system to review periodically the effectiveness of personnel management in his organization so that he can assure himself and me that his organization is striving continuously to achieve the best possible use of personnel resources." Most agencies have now completed the initial step of this requirement. We have received plans from nearly 50 agencies outlining their approaches to personnel management evaluation.

The President also assigned a leadership role to the Commission. He directed the Commission to exercise leadership for effective evaluation by:

• Establishing standards for adequate evaluation systems. These standards have now been established and published as minimum requirements in Federal Personnel Manual Chapter 250.

• Conducting research in and developing methods for evaluating personnel management. We have beefed up our research capability and are now conducting experimental surveys to further refine techniques.

• Insuring that persons who engage in personnel management evaluation are properly qualified and receive the necessary training. We recently completed a very successful seminar for principal agency evaluators and are working toward developing training packages for agency personnel.

• Assessing the adequacy of individual agency evaluation systems and requiring any necessary improvement. Our survey directors are currently visiting all agencies to discuss their evaluation plans and to assist in implementation. We are also developing techniques for testing the adequacy of agency internal evaluation systems.

• Maintaining its own capacity to make independent evaluations of agency personnel management effectiveness and to supplement and complement the agency efforts. We are continuing and even expanding slightly our independent evaluation capability and are also reorienting our surveys toward a more consultative, problem-solving approach to further assist managers in seeking personnel management improvement.

So we—the agencies and the Commission—are moving rapidly together toward implementation of the Presidential directive and the new approach to evaluation, and through it toward improved personnel management Government-wide.

We are beginning to see some tangible results of our new direction, and the early results show great promise.

It has been our plan, from the outset, that the direction and approach of the Commission's review of personnel management in individual agencies be largely governed by the scope and effectiveness of each agency's personnel evaluation system. As agencies make progress in establishing their internal programs, our long-range objective is to redirect the Commission's survey effort, to concentrate more on problem-solution through consultative reviews rather than on general reviews which duplicate agency evaluations.

Already, in some agencies, we are moving toward more agency participation in our reviews and more participation by our advisors in agency evaluations. We have several concrete examples of this new and emerging relationship between the Commission and the agency.

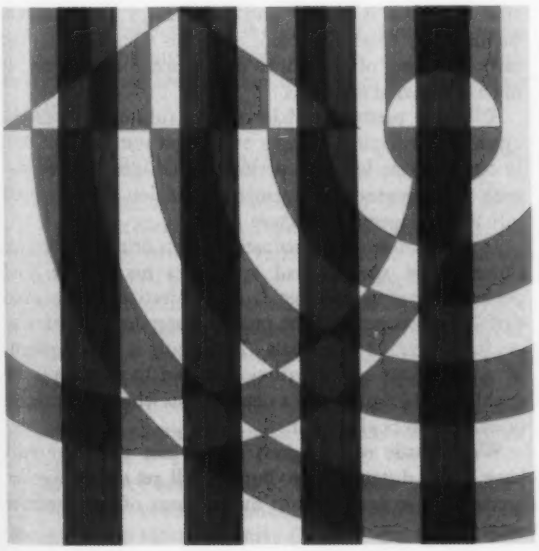
The Department of the Interior responded strongly to the Presidential memo of October 9 and became deeply involved in the conduct of our F.Y. 1971 nationwide evaluation. The Department saw this activity as a transitional step toward complete implementation of the memorandum by F.Y. 1974. New departures that highlight the direction we are taking include:

- Representatives of the department (drawn from both departmental and bureau offices) are leading 29 of the 49 evaluations to be made in field installations.
- Administrative and line officials are participating, as well as specialists in personnel management.
- The Commission has at least one member on each of these teams and the Department, in turn, is providing members for each evaluation team headed by the Commission.
- And we are using the best features of methodology developed by both the Commission and the Department.

This evaluation is a long step forward for both the Commission and the Department, in terms of polishing an internal evaluation system, providing us an opportunity to assess an evaluation system first-hand, and as a joint effort toward introducing organizational change.

Another example of the new look is our recently completed survey of the National Labor Relations Board. At NLRB five assistant general counsels who coordinate field operations participated in reviews in their districts during the field evaluation phase. During the second or headquarters phase, they participated on panels which studied overall field problems and sought solutions. Another joint NLRB–CSC group analyzed personnel operations in headquarters.

The important outcome of the NLRB evaluation is the extent of motivation, and largely self-motivation, to un-



dertake change that we saw gaining momentum even before the overall evaluation was completed. These changes cover the spectrum of management—ranging from a new approach to organization structure to expanded training for supervisors. Clearly, what has made the NLRB experience so successful is the deep involvement of line managers in the evaluation process. They are able to see first-hand what their problems are and their involvement lends credibility to solutions that is not always present when the recommendations are received from on high, as it were, from an outside agent such as the Commission.

We are continuing to work along the same lines with other agencies as they move toward full development of their internal evaluation capabilities. Most notable are Agriculture and Air Force and the key features, again, are joint participation by Commission and agency representatives and heavy involvement of line managers in the evaluation process.

THEORY AND PRACTICE

These are the directions that we are now taking. For agencies not as far along as Interior and NLRB, some basic assumptions about evaluation, its practice and theory, might well be worth mentioning.

• What we are looking for in reviewing agency systems and plans is a vehicle that will lead to improved personnel management—which is, after all, our basic objective. We are not looking for or prescribing one standardized Government-wide approach to evaluation. Obviously, different agencies have different needs and we expect an agency to take its own particular needs into account in planning its evaluation system. Agencies differ in terms of size, mission, geographic dispersion, type of occupational structure, and levels of organization. Obviously, a large agency with a vast field structure and a widely dispersed work force will have an evaluation plan that will look quite different from the system of a small and largely Washington-based agency.

• The piece of paper that is the plan itself is not that critically important. It serves only as a base or point of departure for the real effort. Things that are important to successful evaluation are top management involvement in the process, strong personnel office staff support, and a willingness on the part of all levels of management to make the kind of changes indicated. A final practical consideration, of course, is that sufficient resources must be made available or the whole evaluation process can be wasted.

There are some underlying theoretical bases of evaluation that also should be kept in mind.

• The evaluation should be *problem-oriented*. This means that it should be aimed at identifying problems that are getting in the way of mission accomplishment and should lead to practical solutions. The problem-solving approach has a simple objective, i.e., improved personnel management, and is something quite different from the older concepts of evaluation which emphasized rating managerial performance by means of a report card that may or may not have had anything to do with improving operations.

• Evaluation should be aimed at bringing about *organizational change*. While this theme is closely related to the first, it focuses on making improvements rather than producing reports and the establishment of priorities for improvements in the order that they can contribute most to making the organization function.

• Evaluation should be *time-oriented:* that is, one of its fundamental aims should be to detect situations and emerging problems which may have serious impact in the future, as long as 5 years and more ahead. If we can move into evaluation with a sense of this interaction of the present on the future we will be able to anticipate and act on issues before a crisis rather than simply reacting to the crisis after it arises.

• The evaluation process should be closely *integrated* with other management systems and services so that the impact of all managerial activities and decisions on personnel management can be identified and top management can then be in a better position to make management decisions with full knowledge of their personnel implications. Evaluations cannot be limited to the kinds of things that ordinarily fall within the jurisdictional purview of the personnel function.

• To be fully successful evaluation should include, as a requirement, the greatest possible *involvement of line managers*. As we have seen in our early experiences with NLRB and Interior, this is the one clear way to insure that evaluation is realistic and the findings implemented. Neither the personnel office, nor the Commission, can carry the load of personnel management evaluation. It must be a shared diagnosis.

We have pretty well laid out the future. We see the agencies developing stronger evaluation systems that zero in on problems keyed to personnel management goals—with the personnel management evaluation firmly woven into the management structure.

In the final analysis, evaluation is a continuous circular process. The agency head establishes his mission and personnel management goals and objectives; evaluation surfaces the issues and the problems standing in the way of fulfillment of the goals. The result is development of action plans and priorities designed to overcome the problems and move us to a new plateau where the process of evaluation begins again.

We've made real progress in the past year—we still have a long distance to go. But we will get there together because it's so important to the missions of the agencies we serve. #

SPOTLIGHT ON LABOR RELATIONS

FRESH APPROACHES IN LABOR RELATIONS

Top billing was given by the Office of Management and Budget to "Improving Labor-Management Relations in Government" at its 1970 Management-Improvement Conference last October in Washington, D.C.; the theme was featured as "Panel 1" on the conference calendar of 10 concurrent action-area sessions.

Director Tony F. Ingrassia of CSC's Office of Labor-Management Relations chaired the 2-day meeting, which was highlighted by attendance of a constellation of labor-relations talent. These executives brought to the panel sessions a wealth and variety of labor-management experience—from private industry and from the public service at various levels of government:

- Roger T. Kelley, Assistant Secretary of Defense for Reserve and Manpower Affairs.
- C. Thomas Spivey, Vice President for Labor Relations of U.S. Steel Corporation.
- Bertrand M. Harding, Associate Administrator for Manpower of the Federal Aviation Administration.
- Arvid Anderson, Chairman of New York City's Office of Collective Bargaining.

In both sessions, these common attitudes emerged from the intensely charged discussions that flowed from panel to participants and from participants to panel: Agency managers are anxious to do what they can to make the new Federal labor-management program work. They are problem-oriented and keenly aware of this side of their line responsibilities. And they are determined not to be passed over by higher agency authority in dealing with problems whose answers they consider to be within their own reach.

PROBLEM-SOLVING EMPHASIS

At the start of the first-day session, conferees fired a salvo of problem-oriented questions running to grievance-handling, strikes and related militant rank-and-file actions, scope and philosophy of bargaining, management attitudes, and communications. The second-day group amplified these issues and added some new dimensions of its own to the dialogue—impact of collective activities on agency mission, the scope of union participation in policy-making, subcontracting of unit work, and trends in Federal-employee unionization and labor-management dealings.

One conferee brought all of these issues into perspective with the central question: What can the Federal manager do to make Executive Order 11491 work?

A couple of sample questions underline the practical nature of the sessions:

- From a conferee who was headed for the bargaining table at the close of the conference, "How does management go about drafting the kind of contract language it can live with?"
- From a conferee whose critical agency mission is winning the war on cancer, "How can the director of a biomedical-research effort direct rank-and-file collective energies toward the crucial job at hand?"

Although the panelists furnished few ready-made solutions to pressing problems in these and other sensitive areas, the exchange fashioned some valuable insights for common direction toward the shared goal of improved relations between Federal managers and employees they manage and their union representatives.

DOMINANT THEMES—PHASE I

Predictably, much time was spent on the problem uppermost in the minds of many Federal managers—the strike issue. Despite stiff legal sanctions against it, Federal employees have resorted to the ultimate self-help weapon on a number of much-publicized occasions.

While there was general agreement that collective bargaining should and can work without the right to strike, there was parallel concern that managers may hide behind the no-strike shield. Thus, it is essential that agency managers realize their responsibility to open alternative outlets for rank-and-file dissatisfactions.

In a contiguous problem area—grievance-handling—conferees were advised that much of the unneeded confusion and many of the unwanted headaches that attach to everyday complaints can be cleared up by preventive medicine—in carefully prescribed and graduated doses.

Preparation in drafting contract language is a crucial first step; grievances can be minimized with a clear and mutually understood charter of labor-management rights and obligations. Building on this, agency management should train all supervisory personnel in administration and uniform interpretation of newly negotiated agreements covering employees in its units.

DOMINANT THEMES—PHASE II

Another key problem area staked out in the discussions was training. Accelerated unionization of the Federal work force has added a new dimension to the agency manager's job; in addition to getting the work out on time, he must cope responsibly with employee problems. First-line supervisors, especially, must be trained to play

this dual role—to accept the fact that unions are in the Federal service to stay, while recognizing the essential jurisdiction of management—to explode the outworn myth that getting the work done is the beginning and end of management's job.

Management training tied in closely with still another problem area—outmoded attitudes on the part of some agency supervisors. Like society as a whole, Government today can ill afford to brook polarization. It is long past time that we stop playing the adversary game, Mr. Ingrassia warned. Anti-union and anti-management rhetoric have no place in today's Federal labor-management lexicon.

INFORMATION-SHARING EXAMPLES

All too often, the panelists agreed, Government relies exclusively on written, in lieu of face-to-face, dealings with its employees and their first-line supervisors. On this score, Mr. Spivey said, private industry offers some useful models:

- On-the-spot contract administrators to advise shop supervisors on proper application of terms.

- Quarterly—or more frequent—meetings at the local level between management and union officials to relay information on shop problems.

- Installation of a "telephone-communicator" network bringing supervisors and employees only a dial away from the labor-relations and shop news of the day.

At FAA, Mr. Harding reported, daily FACTMESSAGES keep first-line supervisors abreast of important happenings in a timely fashion. Formerly, he added, supervisors often got first word of agency labor-management doings from shop stewards or union officials.

UNIT-NEGOTIABILITY TIELINE

Moving on to the strategy and mechanics of negotiability and unit determination, Mr. Anderson said that *de facto* bargaining structures—shaped by extent of union organization—have fallen flat in State and local jurisdictions. It is up to agency management and the administrators of the Executive order to insure that this pattern is not repeated on the Federal level, he said.

While there was no consensus on the question of small versus large units, there was general concern that employees similarly situated be grouped so as to assure similar treatment at the bargaining table. This problem of units would assume incremental importance if the scope of negotiability were broadened so as to encompass bread-and-butter items such as wages and fringe benefits. Utter chaos could set in, for example, if these core issues were to be handled separately in the existing 2,600 non-postal bargaining units.

"FIRM-BUT-FAIR" DOCTRINE

Couching the issue broadly, Mr. Kelley suggested that Federal managers conduct their labor-management business on a "firm-but-fair" basis.

On subcontracting, he remarked, the "firm" side of the coin might take the form of a policy statement that an agency will not hesitate to contract out work where that would produce savings to the taxpayer. Conversely, he noted, the "fair" side might take the form of an agency rule not to contract out jobs that could be performed by its own personnel within cost bounds.

Whatever the issue, Mr. Kelley emphasized, the "firm-but-fair" approach requires establishment of uniform policies in agency dealings with employees. It would be hard to visualize, he said, how inconsistent labor-management practices could produce equity across the board. And without fairness, firmness falls of its own weight.

LOCUS OF AUTHORITY

For Federal management, panelists acknowledged, the halcyon days of the weak-sister employee associations are gone. Now, agencies must deal with increasingly militant rank-and-file organizations—a new game in which knowledge, understanding, and organization are required if raw power is to be avoided as the sole key to success.

Today, it would be suicidal for management to try to hide labor-relations in the bureaucratic structure. To counter the growing power accruing to employee representatives, agency labor-relations personnel must be made visible and armed with the decision-making authority necessary to deal with rank-and-file spokesmen on an equal footing. New lines of authority must converge at the agency labor-relations office.

Beyond this, the Federal line manager needs further assistance to cope effectively with employees and their representatives. He must be shown where to go for hard answers to day-to-day problems in labor relations, and he must be supplied with those answers without undue delay. Moreover, agencies must be helped in opening clear lines of management-to-management communications within their operations—from headquarters to field, and back again.

Above all, labor-relations training and guidance must be furnished to management at all levels. This means agencies must make maximum use of available and expanding training opportunities provided by the stepped-up Commission effort—as well as their own in-house programs.

—David S. Dickinson

Public Dissent and the Public Employee

by William H. Rehnquist
Assistant Attorney General
Department of Justice

TWENTY YEARS AGO, an employee of the Federal Government was summarily removed from his official position because he made remarks to a newspaper reporter which were critical of his superiors. Indeed, his superiors had sternly enjoined him against making any statements at all to representatives of the news media. You are doubtless already thinking back in your minds to the time that this took place—1950—and have already mentally cataloged this incident as another case of McCarthyism run rampant. But the name of the employee I am referring to was General Douglas MacArthur, and the name of the superior who removed him was President Harry S. Truman, acting upon the advice of his Secretary of State, Dean Acheson, and his Secretary of Defense, George Marshall.

Several years earlier, President Truman had sharply curtailed Secretary of Commerce Henry Wallace's exercise of the right of "free speech" when Wallace was dismissed for publicly criticizing Administration policy with respect to Russia. I don't suppose anyone seriously quarrels with either the legal right or the propriety of President Truman having dismissed Henry Wallace or Douglas MacArthur, whatever one may think of the merits of the disputes in which they were respectively engaged. These bits of history stand for the proposition that high-ranking Executive officials have no right of free speech which permits them to publicly criticize the President with impunity.

BEST-KNOWN PROVISION

The free-speech guarantee of the First Amendment is probably the best-known provision of our Constitution. It is entirely proper that this is so, since the right of freedom of expression is basic to the proper functioning of a free, democratic society.

Less well known, but equally important, are those restrictions on complete freedom of speech which result from the balance of competing interests in the jurisprudential scale—the need to preserve order, the need to afford a remedy to the innocent victim of libel, the need of government to govern. It is the conflict between the latter and the free-speech clause with which we deal today.

Once we get past the celebrated cases involving Secretary Wallace and General MacArthur there is a pronounced difference of understanding as to the latitude accorded public statements and public acts which are made by persons entrusted to carry on the Nation's business. The issue is now of front-page importance, probably put there because of the highly politicized nature of our society today. There is a tendency on the part of young people entering government service to feel that they should have complete and unrestrained freedom to speak

REMARKS before the Federal Bar Association on September 18, 1970, at the Shoreham Hotel, Washington, D.C.

out on political and policy matters, regardless of how detrimental their speech may be to government programs in general or to the proper functioning of their own assigned responsibilities within the departments.

At one time, the courts approached this issue in terms of a "right versus privilege" analogy, as epitomized by Justice Holmes' famous dictum concerning the dismissal of a policeman:

"The petitioner may have a constitutional right to talk politics, but he has no constitutional right to be a policeman." *McAuliffe* v. *City of New Bedford,* 155 Mass. 216, 220, 29 N.E. 517 (1892).

As we all know, courts in recent years have retreated from this stern dichotomy and have expanded government employees' free-speech rights considerably. But now we are hearing equally categorical statements from the champions of employee free speech. Without much critical analysis, they insist that unless the public employee has every bit as much right to speak freely on public issues as a private citizen, the public employee becomes a "second-class citizen" who has given up some of his constitutional rights by virtue of accepting public employment.

If the vice of the Holmes analysis is that it separated entirely the government as sovereign from the government as an employer, the vice of the "second-class citizen" argument is that it entirely equates the two phases of governmental action. If Justice Holmes mistakenly failed to recognize that dismissal of a government employee because of his public statements was a form of restraint on his free speech, it is equally a mistake to fail to recognize that potential dismissal from government employment is by no means a complete negation of one's free speech.

FREE SPEECH VS. GOVERNMENT INTERESTS

The principal case from the Supreme Court of the United States on the subject, *Pickering* v. *Board of Education,* 391 U.S. 563 (1968), makes clear that the test in this area, as in related branches of constitutional law, is a balancing of the claim for freedom of speech against whatever governmental interests may be opposed to that claim. The Court, speaking through Justice Marshall, said:

"The problem in any case is to arrive at a balance between the interests of the teacher, as a citizen, in commenting upon matters of public concern and the interest of the State, as an employer, in promoting the efficiency of the public services it performs through its employees." *Id.* at 568.

Here, the interest on the other side of the scale may be generally described as the interest of the government in governing effectively. The Supreme Court in earlier cases has said that government has the right to carry on public business even at the expense of some forms of individual freedom of expression. Thus, regulations limiting picketing in front of a courthouse, in order to permit free access and exit, are constitutionally permissible. *Cameron* v. *Johnson,* 390 U.S. 611 (1968). And Congress may constitutionally restrict government employees in conducting political campaigning. *United Public Workers* v. *Mitchell,* 330 U.S. 75 (1947).

In the area of public dissent, it may be useful to consider the different types of statements that might be made by public employees. Most typical of those which make today's headlines are statements of opinions which criticize governmental policy: "We disapprove of the President's Cambodian incursion"; "We oppose the funding of the anti-ballistic missiles"; "We oppose the Justice Department's position on the school segregation cases."

Because the major part of my remarks will be addressed to this type of statement, I would like to point out now that the question of the government employee's right to speak out in public without fear of disciplinary sanctions may arise in other contexts.

For example, an employee may make public information that is in violation of applicable regulation, ranging from the sort of departmental prohibition which Otto Otepka was charged with violating when he was employed by the State Department, to the divulgence of highly secret and sensitive material to the agents of a foreign power, as was the case with Julius and Ethel Rosenberg. I think it would be rather difficult to defend this sort of action under a claim of freedom of expression.

The employee may publicize information which, although not technically classified, is false or misleading. Here we encounter the well-established doctrine of *New York Times* v. *Sullivan,* 376 U.S. 254 (1964), holding that the First Amendment prohibits the awarding of civil damages against a libel defendant in the absence of a showing that the publication was both false and malicious. While it does not necessarily follow as the night the day that the First Amendment imposes the same sort of limitation on the right of the governmental employer to dismiss employees because of such statements, the Supreme Court in *Pickering* suggests that very much the same principle will be applied where the basis urged for discharge is the falsity of the information.

But the fact of the matter is that the charge of maliciously publicizing false information about one's governmental employer will rarely exist by itself. Generally, if an employee publishes a false statement, the government may be concerned with ramifications other than mere falsity; almost inevitably, there will be connected with the complaint overtones of disloyalty, promotion of dissension, and related harm which is said to have arisen from the public statement. When this occurs, the decided cases make clear that the simple incantation of the *New York Times* v. *Sullivan* doctrine does not dispose of the typical case of public dissent by the public employee.

PICKERING CASE

I would like to turn now to the facts of the *Pickering* case, because it so well illustrates the way facts, alleged

facts, and opinions can be combined in one public statement.

Marvin Pickering was a high school teacher in Will County, Ill., which is one of the outer ring of suburban counties around Chicago. The high school district in which Pickering taught had on its second attempt in 1961 obtained voter approval of a bond issue to provide for the construction of two new high schools. During 1964, a proposed increase in the tax rates for educational purposes was submitted to the voters and defeated, not once but twice.

The day following the second defeat of the proposed tax increase, a letter from Pickering appeared in the letters to the editor column of a local newspaper, in which he sharply criticized the school board for its allocation of school resources between the school's educational program and its athletic program. For writing and publishing this letter, Pickering was dismissed by the school board, and he took his case to the Illinois State courts.

In the Supreme Court of Illinois, Pickering's dismissal was affirmed with two judges dissenting. Reading the majority and dissenting opinions, one gets the impression that the case there was very much cast in terms of *New York Times* v. *Sullivan*.

The school board apparently rather largely based its claimed right to dismiss Pickering on the falsity of several of the purported factual statements which his letter contained; Pickering insisted that by analogy to the *New York Times* rule in libel cases he could be dismissed only if the statements were found to be not only false, but malicious as well. The board's dismissal charge mentioned the need to maintain discipline, morale, and harmony among co-workers and supervisors, but the lack of discussion of this issue in the Supreme Court of Illinois suggests that it was touched on but lightly by the parties.

Justice Marshall, speaking for the Supreme Court of the United States in *Pickering*, said that the writing and publishing of this teacher's letter was protected by the Federal Constitution. There was a good deal of emphasis on the truth or falsity of the statements in the Court's opinion, which appended an analysis indicating that the Court disagreed with the lower courts and with the school board as to how many of Pickering's statements could be described as false.

The opinion also gives some indication of what factors the Court thinks are important in resolving such issues as loyalty and discipline. In the first place, says the Court, Pickering's statements were "in no way directed towards any person with whom appellant would normally be in contact in the course of his daily work as a teacher. Thus no question of maintaining either discipline by immediate superiors or harmony among co-workers is presented here. Appellant's employment relationships with the Board, and, to a somewhat lesser extent, with the superintendent are not the kind of close working relationships for which it can persuasively be claimed that personal loyalty and confidence are necessary to their proper functioning." 391 U.S. at 569–70.

The Court also pointed out that in *Pickering* "the fact of employment is only tangentially and insubstantially involved in the subject matter of the public communication" (*Id.* at 574), and that therefore the Court would regard the teacher as being a member of the general public as he sought to be.

MEEHAN CASE

As might be expected, subsequent lower court decisions have tended to turn more on the loyalty and harmony facets of *Pickering* than on the truth or falsity facet. A good example is *Meehan* v. *Macy*, which has been three times decided by the Court of Appeals for the District of Columbia Circuit.

Richard Meehan was the president of a local labor union in the Panama Canal Zone which represented the Canal guards. The governor of the Panama Canal Zone, in an effort to assuage Panamanian ire at continued American occupancy of the Canal Zone, had proposed that a previous policy limiting guard employment to United

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States citizens be revised in order that Panamanians would be eligible. Meehan, during a troubled time in the Canal Zone, publicly and vigorously criticized the governor's proposed change in policy.

The original opinion of the Court of Appeals, written by Judge Leventhal, upheld one of the three stated grounds for Meehan's dismissal from employment, and contains probably as good a short description of the governmental interest which is served by dismissal as is to be found in the cases:

"There is a reverse side to the coin: With mounting provision of increased and increasingly indispensable services rendered by Government employees, the public weal demands administration that is effective and disciplined, and not beset by turmoil and anarchy."

The Court went on to say: "While a free society values robust, vigorous and essentially uninhibited public speech by citizens, when such uninhibited public speech by Government employees produces intolerable disharmony, inefficiency, dissension and even chaos, it may be subject to reasonable limitations, at least concerning matters relating to the duties, discretion, and judgment entrusted to the employee involved." *Meehan* v. *Macy*, 392 F. 2d 822, 832, 833 (D.C. Cir. 1968).

The government does have an interest in governing. While the words "loyalty," "harmony," and avoidance of "dissension" all express part of what this notion embodies, I don't believe that all of them together convey the entire idea. In the executive branch of the Government, policy decisions, at least in theory, come down from the top since the President of the United States is the only official of that branch who can lay claim to a popular mandate.

While it is quite proper that his policy decisions be debated and challenged in the legislative branch, and be subjected to vigorous criticism in the country as a whole, the rule within the executive branch must be quite different.

The President and the Secretary of Defense whom he appoints should be able to push for the funding of an anti-ballistic missile without necessarily obtaining the approval of a majority of the employees of the Defense Department; the President and his Attorney General should be able to push for a crime bill in the District of Columbia even though a majority of the employed lawyers in the Justice Department, if given their "druthers," might oppose some of its provisions. If the case be otherwise, the executive branch will be controlled not by an elected President, but by a number of temporary tenants of Government jobs who have no vestige whatever of a popular mandate to operate the branch.

If the executive branch is to be reasonably efficient, it must have a certain amount of internal cohesion in its operation. In the midst of the anti-ballistic missile battle on Capitol Hill, it simply would not do for the Secretary of Defense, the Deputy Secretary of Defense, or any other high-ranking Defense official to publicly state that he has now had second thoughts about the proposal and sees that it is wrong. By the same token, in the midst of the debate over whether or not Judge Haynsworth should be confirmed to the Supreme Court of the United States, it will not do for the Attorney General or for any Assistant Attorney General to publicly state that he now sees that the presidential nomination was a mistake, and that he certainly understands why the Senate will probably reject it. If the President is not free to dismiss advisors such as this for such public statements, the executive branch might just as well shut up shop tomorrow.

As we get to situations involving government employees less close to the final decision-making authority, less responsible for carrying out those decisions, the government's interest in governing becomes lesser in the scale, and the employee's right as a citizen to speak his mind becomes greater.

BALANCING TEST

The courts have made quite clear that just as the government does not have the freedom to deal with an employee in this area as would a counterpart employer in private industry, so the public employee does not have the same freedom from government restriction on his public statements as would the employee's counterpart in private industry. The government as employer has a legitimate and constitutionally recognized interest in limiting public criticism on the part of its employees even though that same government as sovereign has no similar constitutionally valid claim to limit dissent on the part of its citizens.

But how do we apply these very general principles to concrete cases? What factors must we use to meet the balancing test pronounced in *Pickering?* One factor is the level of the job. Thus, a President may fire a Cabinet officer or other political appointee for any reason whatever, or for no reason. No court would second guess the President on such a matter for any reason. See K. Davis, *Administrative Law Text*, § 7.11, at 127 (1959).

In a case framed in terms of civil service law, rather than constitutional law, this right of removal has been extended to high-level career employees. In *Leonard* v. *Douglas*, 321 F. 2d 749 (D.C. Cir. 1963), the court upheld a dismissal of the First Assistant to the Assistant Attorney General, since the latter needs "someone in whom he can confide, and to whom he can turn with trust in his judgment as well as in his legal ability." *Id.* at 752.

Also, some employees as a class (for example, attorneys) have less statutory job protection than others. Persons not in the competitive service are outside the protection of 5 U.S.C. § 7501 (1964), which permits discharge only to promote the efficiency of the service.

ACADEMIC FREEDOM

The occupation involved also has significance. Teachers may well be given more freedom to speak out than others

in the community because of the deep-rooted concept of academic freedom. *Keyishian* v. *Board of Regents,* 385 U.S. 589 (1967); *Pred* v. *Board of Public Instruction,* 415 F. 2d 851 (5th Cir. 1969).

Whether this notion of academic freedom is strongest when the teacher's speech is part of classroom conduct or a part of extracurricular conduct seems to me debatable. In a sense, academic freedom is a vocational concept—that is, it would seem applicable in connection with the teacher's *teaching*, and not to his extracurricular activities. And yet the notion that no sort of regimen at all may be imposed upon a teacher in the classroom would seem to play hob with the idea that any particular curriculum could be expected to be taught to the students.

The Court of Appeals for this circuit has held that while a Government teacher may be free to discuss the Vietnam War in public on his own time, when he is hired to teach English to foreign military officers in a quick-training program, his classroom discussion critical of his employer's position on the war justifies dismissal without abridging the First Amendment. *Goldwasser* v. *Brown*, 417 F. 2d 1169 (D.C. Cir. 1969).

A government employee is simply not permitted to use the taxpayers' time in pursuit of expressing personal opinions since he has been hired for other specific duties. We may have here the paradoxical situation in which the teacher's academic freedom is presumably strongest in the classroom, rather than in the teacher's private life, and yet it is in the classroom that the teacher may reasonably be expected to spend time on the curriculum prescribed by his superiors, rather than on his own observations of the world situation.

POSITION OF TRUST

Whatever may be the situation with respect to teachers, there can be no doubt that attorneys occupy a special relationship to their employer, whether it be a private client or the Government of the United States. The peculiar position of trust occupied by attorneys is evidenced by the traditional attorney-client privilege, which suggests that unauthorized public disclosure of information on any issue which has been committed to their professional trust by their clients would be a serious breach of that trust which would justify dismissal.

For example, Canon 6 of the Canons of Professional Ethics speaks of an "obligation to represent the client with undivided fidelity and not to divulge his secrets or confidences." The concept of fidelity is also apparent in Canon 37, which states flatly, "[i]t is the duty of a lawyer to preserve his client's confidences," and further that "[a] lawyer should not continue employment when he discovers that this obligation prevents the performance of his full duty to his former or to his new client." Thus, the notion of professional loyalty extends beyond the area of lawyer-client privilege.

I think one may fairly generalize that a government employee, and certainly a government attorney, is seriously restricted in his freedom of speech with respect to any matter for which he has been assigned responsibility. It is in this area where I stressed earlier that the President's popular mandate could be negatived by members of a particular executive agency publicly dissenting to that department's policies.

Courts recognize this factor and give it weight. The Court's language in *Pickering*, for example, stresses the relationship of the communication to the type of work performed. The Court there pointed out that the teacher's communication pertained to school financing, and not to school teaching. See 391 U.S. at 574.

When we move from the "assigned-responsibility" situation into the "off-duty" or "extracurricular" situation, the claim for freedom of expression is stronger. If a person identifies himself as being associated with a particular agency or holding a specific government job when he makes public statements, his case is not as strong as where he is content to be identified simply as a member of the general public.

The courts have at times distinguished between statements made in an official capacity and those made as a member of the general public. In *Pickering,* for example, the fact that Pickering was a teacher in the school system whose administration he criticized was treated by the Court as being relatively unimportant, which permitted the Court to characterize his statement as made by a "member of the general public." 391 U.S. at 574.

In *Murray* v. *Vaughn,* 300 F. Supp. 688 (D.R.I. 1969), a Peace Corps Volunteer in Chile sent a letter to a local newspaper criticizing the United States' involvement in Vietnam, for which action he was dismissed. The court held that this statement, like the one in *Pickering,* had been made in a protected, individual capacity. Unlike the teacher in *Pickering* or the Peace Corps Volunteer in *Murray*, there are undoubtedly situations in which the public employee is so well-known, or his position so close to the center of authority, that he is simply not able to disassociate himself from that position and become a member of the public at large.

EMPLOYEE-EMPLOYER LOYALTY

Another factor that inevitably is in the background of every dismissal action is the concept of discipline, personal loyalty, and harmony in the working relationships among employees which I illustrated earlier in connection with the *Meehan* case involving the Panama Canal Zone policeman. The Federal Government is entitled to demand at least as large a part of the same personal loyalty owed by any employee to his employer.

For example, the Court of Claims in *Harrington* v. *United States,* 161 Ct. Cl. 432 (1963), held that a civilian employee of the Air Force was justifiably dismissed for printing and circulating a pamphlet criticizing Air Force efficiency and conduct. One simply cannot work a part of the time in serving the Air Force or any other

organization and then expend other efforts in tearing it down.

The impact of a public statement on one's co-workers, and the ability to continue working efficiently with them, is a related facet of the overall picture. Most government employees are not as isolated from co-workers as Marvin Pickering was from other teachers, but in many cases enjoy a close working relationship.

In the recent case of *Lefcourt* v. *Legal Aid Society*, 38 U.S.L.W. 2633 (S.D.N.Y., May 11, 1970), the dismissal of a Legal Aid attorney was upheld since his critical comments about the society's policies promoted "disharmony and inefficiency." Such comments, the court stressed, cannot be tolerated "where they result in internal friction inimical to the welfare of the organization." *Id.* at 2634. The court specifically distinguished *Pickering* by stating that this situation, unlike *Pickering, did* present the issue of the attorney's relationship with supervisors and co-workers.

Another recent case, involving a group of VISTA Volunteers who published a so-called "Declaration of Conscience" opposing the Government's position on Vietnam, also distinguished *Pickering* by stressing the need for discipline and harmony. In this case, the VISTA Volunteers at an official meeting discussed, drafted, and signed an anti-war petition. Prior to signing, they were warned by superiors not to go ahead with their project. Threatened with dismissal, the Volunteers brought suit in the U.S. District Court in Colorado against VISTA officials to enjoin any dismissal and seeking a declaratory judgment that dismissal would violate their constitutional rights as well as a judgment that VISTA regulations governing expression were unconstitutionally vague.

Judge Doyle saw no merit to these assertions. The subsequent signing in disregard of their superiors, said the court, "caused a conflict between plaintiffs and their immediate superiors, and the evoking of such conflict is one of the criteria established in *Pickering* as a cause for limiting statements of public employees." *Murphy* v. *Facendia*, 307 F. Supp. 353, 355 (D. Colo. 1969).

This case gives us some limits to the decision in *Murray* v. *Vaughn*, where the Peace Corps Volunteer was held to have been improperly dismissed for writing an anti-war letter to a local newspaper. In *Facendia* there was group action, acts were initiated during working time, and these acts affected the efficiency of VISTA as well as the relationships among VISTA employees.

Judge Doyle held on these facts that the employees were not protected by free-speech guarantees:

"In short, the 'Declaration of Conscience' in this action conflicted with a definite goal of VISTA, detracted time and effort from the primary work of the Volunteers, promoted dissension between Volunteers and their superiors, and generally interfered with the regular operation of VISTA. Accordingly, VISTA supervisors would appear to have been within the constitutional limitations on free expression by public employees in attempting to suppress the 'Declaration of Conscience' and plaintiffs have not asserted a substantial claim under the First Amendment." *Murphy* v. *Facendia*, 307 F. Supp. 353, 355 (D. Colo. 1969).

Such insubordination affects the normal functioning of an office and obviously cannot be tolerated by any organization, governmental or private.

SPECIAL RELATIONSHIP

In the final analysis, all of these factors plus any others relevant to the dismissal must be taken together to see if there exists between the government and the public employee at the time of the public utterance what the *Pickering* Court described as a special relationship to justify the dismissal. The Court stated:

"It is possible to conceive of some positions in public employment in which the need for confidentiality is so great that even completely correct public statements might furnish a permissible ground for dismissal. Likewise, positions in public employment in which the relationship between superior and subordinate is of such a personal and intimate nature that certain forms of public criticism of the superior by the subordinate would seriously undermine the effectiveness of the working relationship between them can also be imagined." 391 U.S. at 570 n. 3.

This special relationship can occur in a number of situations. In *Meehan* v. *Macy*, 425 F. 2d 469, 470–1 (D.C. Cir. 1968), the court referred to the above portion of *Pickering* to say that between the policeman and the governor of the Panama Canal Zone, that special relationship existed during political disturbances in the Zone. Judge Leventhal referred to the generally tense situation because of the rioting and the "diplomatic overtones" of the disturbances as factors creating the relationship. Thus, the intemperate public remarks and derisive poem about the governor by a policeman charged with promoting security and peace in the Zone could be restricted. Otherwise, in the words of *Pickering*, "public criticism of the superior by the subordinate would seriously undermine the effectiveness of the working relationship between them. . . ."

In another case Judge McGowan found the special relationship created by the presence of foreign military officers in a classroom. This justified the dismissal of an English teacher making critical comments concerning the United States' policy in Vietnam. *Goldwasser* v. *Brown*, 417 F. 2d 1169 (D.C. Cir. 1969).

Although not as certain of application as the extremes put forth by Justice Holmes or the proponents of absolute free speech, the present balancing approach of the courts offers, it seems to me, a reasonable approach in protecting the reasonable rights of public employees to free expression and the equally necessary ideal of the government's right to govern. In light of the importance of the interests involved, the added burden of tallying up the foregoing factors in each case becomes a worthwhile exercise. #

LEGAL DECISIONS

CONSTITUTIONAL RIGHTS

Meehan v. *Macy*—the final chapter.

Some of you may have begun to think that the *Meehan* story was never going to end. It certainly has been referred to often enough in this department (*Journal,* Vol. 9, Nos. 1, 2, and 3; Vol. 10, No. 1).

Meehan was a Canal Zone policeman who was discharged for criticism of the Governor's proposed change in policy which would permit Panamanians to become members of the Canal Zone police force. The case had strong First Amendment overtones from the beginning which became even stronger when the Court of Appeals for the District of Columbia, on plaintiff's motion, decided to reconsider its prior decision in the case after the Supreme Court's decision in *Pickering* v. *Board of Education* (*Journal,* Vol. 9, No. 2). (Pickering was the schoolteacher whose criticism of the Board of Education was found by the court to be an exercise of his constitutional right and thus not a legal basis for discharge.)

When last seen, the *Meehan* case had been sent back to the Commission by the court to determine whether the sole charge that the court found to be sustained by the evidence was a sufficient basis for discharge. This charge was that he gave to two superior officers a copy of an open letter written by him which criticized the Governor's proposed policy and a copy of a poem written by another individual which contained derogatory and libelous statements regarding the Governor.

The Commission's decision dated July 27, 1970, was that this remaining charge was not sufficient to warrant discharge and the Commission directed Mr. Meehan's retroactive restoration with a suspension of 90 calendar days from the effective date of the restoration. The agency has complied.

REDUCTION IN FORCE

AFGE v. *Paine,* D.C. Cir., April 21, 1970.

This is a case filed by the union and by employees of the National Aeronautics and Space Administration (NASA) at Marshall Space Flight Center who were separated or demoted in a reduction in force. In the words of the court:

"The gravamen of appellant's action is that NASA has bypassed controlling congressional enactments by procuring through its service support contracts with private firms, manpower outside the civil service to perform tasks assigned by law to Federal civil servants only. Their complaint charges that NASA, in curtailing its work force at Marshall, demoted some civil service employees and discharged others, while retaining in their preexisting positions contractor employees engaged in the same or similar activities. This, the complaint says, violated legislation restricting NASA's hiring of contractor personnel, the civil service laws and implementing regulations, and the Union's collective bargaining agreement with NASA."

The D.C. Court dismissed the complaint on the ground that plaintiffs lacked standing to sue; Court of Appeals reversed and remanded for proceedings on the merits.

Of interest from the personnel standpoint is the appeals court's basis for its conclusion that plaintiffs have standing to sue. That basis is that Federal civil servants have standing to challenge personal service contracts giving rise to competition between the Federal employees and the contractor employees where the scheme of the statute on which the challenge is based reflects a legislative process to protect their competitive interests. The statute about which the court is talking is NASA's organic act under which it is authorized "to appoint and fix the compensation of such officers and employees as may be necessary to carry out such functions" and under which there is a mandate that "such officers and employees shall be appointed in accordance with the civil service laws." Nearly every agency has similar language in its organic act.

The other significant point from the personnel standpoint is the court's finding that the union also has standing to sue. Earlier court decisions such as *Canal Zone Central Labor Union* v. *Fleming* (*Journal,* Vol. 6, No. 3), and *Manhattan-Bronx* v. *Gronouski* (*Journal,* Vol. 6, No. 3), had held that Executive Order No. 10988, which established the Employee Management Relations program, did not authorize unions to sue. This case adds to the growing list of cases such as *NAGE* v. *White* (*Journal,* Nos. 1 and 2), and *United Federation of Postal Clerks* v. *Watson,* which find a basis for going the other way.

INDIAN PREFERENCE

Mescalero Apache Tribe v. *Hickel,* C.A. 10th No. 40–70, No. 8133, D.N. Mex., Oct. 5, 1970.

Since the Indians lost, the case is not really newsworthy. However, I can't remember another court case involving a personnel action which Indian-plaintiffs alleged was taken in violation of the Indian preference laws.

This case may then be the beginning of a trend. The case involved three statutes the oldest of which was enacted in 1882 under which Indians are given preference in appointment in the Bureau of Indian Affairs and in the Indian service generally. Plaintiffs alleged that these laws required that they be retained in a reduction in force, even though they were serving under career-conditional appointments, over non-Indians who were serving under career appointments. The court held that they were not so entitled.

—*John J. McCarthy*

THE AWARDS STORY

THE AWARDS STORY

PROGRAM CHANGES SUCCESSFUL

During Fiscal Year 1970 important changes were made to strengthen the Incentive Awards program. The objectives were to:

- Focus employee suggestions on ideas that contribute directly to economy, efficiency, or increased effectiveness of Government operations.
- Achieve greater consistency among agencies in program administration by establishing new Government-wide scales for employee contributions.
- Assure greater equity in granting awards by encouraging use of agencies' management review processes and performance evaluations as the basis for awards.

F.Y. 1970 SCOREBOARD

F.Y. 1970 results show—

- $176 million in economies and improvements from adopted employee ideas—the second highest year.
- Quality of suggestions improved as indicated by the increase in average award from $45 to $65—up 44 percent.
- Twenty-five percent fewer suggestions submitted, but total dollar benefits down only 10 percent.
- Evaluator and clerical workload reduced substantially.
- Thirty-six agencies reduced suggestion case backlogs—the 15 percent reduction Government-wide indicates successful efforts in speeding processing.
- Over 104,000 special achievement awards for outstanding job accomplishments—the average cash award was $170.

CHAIRMAN HAMPTON PRAISES RESULTS

Civil Service Commission Chairman Robert Hampton in assessing the year's results commented: "Federal employees, though their ideas and performance, have helped to hold down the costs of Government. Though increased efficiency they have contributed to better service to the public.

"Those who carry out the daily work of Government are in the best possible position to see where time and money can be saved. We welcome their ideas for problem-solving and their suggestions for improving operations, and I commend their attitudes in striving for better service at less cost to the public."

SIGNIFICANT AGENCY ACCOMPLISHMENTS

Army with over $67.5 million in first-year measurable benefits from 19,706 adopted employee suggestions, led all agencies in benefits. Army also led all agencies in ratio of adopted suggestions, with 5 adopted per 100 employees.

Air Force's measurable benefits from adopted suggestions reached $60.1 million, representing the third time in 4 years that Air Force has attained the $60 million mark.

Navy's measurable benefits of $28.7 million from 14,032 suggestions are very close to last year's all-time record for the Navy Department's suggestion program.

Post Office Department led all agencies in number of suggestions received and number adopted, with 140,979 submitted and 22,858 adopted.

Justice Department reported the highest benefits ever achieved from its suggestion program. Justice also had the lowest percentage of suggestion backlog—11 percent.

Commerce Department doubled its adoption ratio and increased benefits 193 percent over F.Y. 1969.

Department of Health, Education, and Welfare had a 26 percent increase in suggestions received, setting an all-time record for that department.

TOP CASH AWARDS

- $7,105, the largest single award, was made to Robert J. Surkein, a traffic manager for the U.S. Army Munitions Command, who went beyond his job responsibilities to initiate a procedure to ship Navy material direct to Southeast Asia from East Coast ports, rather than transporting it across country to be shipped from West Coast ports. Mr. Surkein's achievement resulted in savings of over $6,000,000.

MILLION DOLLAR CLUB

Benefits from Suggestions

ARMY	$67,545,215
AIR FORCE	60,106,690
NAVY	28,964,725
POST OFFICE	6,699,725
NASA	3,609,919
DEFENSE SUPPLY	3,034,488

SUMMARY OF GOVERNMENT-WIDE RESULTS

EXTRA EMPLOYEE CONTRIBUTIONS	FY 1970	FY 1969
Suggestions Adopted	81,070	147,093
Rate per 100 employees	3.0	5.3
Superior Achievements Recognized	104,129	110,647
Rate per 100 employees	3.8	4.0
MEASURABLE BENEFITS		
Adopted Suggestions	$176,044,107	$195,962,977
Superior Achievements	$99,081,861	$111,859,506
AWARDS TO EMPLOYEES		
Adopted Suggestions	$5,296,566	$4,978,146
Average Award	$65	$45
Superior Achievements	$16,154,266	$15,705,920
Average Award	$170	$157

• $5,580 was awarded another cost-conscious employee, Robert E. Mack, a general engineer with the Naval Ordnance Systems Command, for his proposal that electronic test instruments used in shakedown operations of submarines at Cape Kennedy be installed at the Cape just prior to shakedown, rather than being installed at the shipyards. Benefits resulting from Mr. Mack s idea were $4,526,000.

• $5,770 was granted posthumously to an employee of the Federal Aviation Administration in Los Angeles, Calif., for development of a modification to radar equipment which greatly increased efficiency of existing equipment and improved service to the aviation industry and the public, and saved over $3,066,000.

• $5,000 was awarded to two employees of the Bureau of the Mint in Washington, D.C., for invention of a composite metal strip for minting coins which, by replacing silver alloy coinage, prevents the illegal practice of melting silver coins for profit, and meets all of the coin machine and other requirements.

OTHER SIGNIFICANT AWARDS

• $2,420 was granted to an aerospace engineer at Kennedy Space Center in Florida for a suggestion to use a remote control device for actuation of a computer switch on the Saturn vehicle, which solved the problem of redesigning the computer. His idea saved an estimated $1,318,000.

• $2,235 awarded to a construction management engineer with the U.S. Army Engineer Division, New York, N.Y., for suggesting that the railroad bridge which crosses over the Great Lakes-Hudson River Waterway connection be raised 1.73 feet instead of 4.03 feet as originally proposed by the railroad, thus saving construction costs of $1,184,500.

• $1,265 was granted to a microbiologist with the Agricultural Research Service in Ames, Iowa, who designed a rapid detection technique for a cattle disease, which reduced costs of laboratory analysis and saved $164,300.

• $1,170 was awarded to two women inventory specialists with the Air Force Logistics Command in Dayton, Ohio, for a suggestion to modify parking brake valves marked for disposal so that they could be used on A–37 aircraft, thereby saving $93,000 in new procurement.

• $1,115 granted to an airframes mechanic at the Naval Air Station, Jacksonville, Fla., who used his lens-grinding hobby for developing a process (in his home) which removed scratches from bullet-resistant windshields and saved the Naval Air Station $82,000.

EQUAL OPPORTUNITY ACHIEVEMENTS

Many Federal employees are now being granted recognition for their outstanding achievements in extending equal opportunity. Responding to Executive Order 11478 and CSC guidelines, 15 agencies report establishing procedures for making EEO awards and others are working toward this objective.

AWARDS FOR CITIZENS' ACHIEVEMENTS

Many agencies have reported establishment of procedures or expansion of their use to grant honorary recognitions for outstanding citizen or organization contributions to Government activities. Among the contributions recognized during F.Y. 1970 was NASA's recognition in the form of a pin and certificate awarded to 137,000 members of the Apollo Industry/Government/University Team who contributed to the first lunar landing.

—Dick Brengel

by William V. Donaldson
City Manager
Scottsdale, Arizona

tapping municipal employees' creative talents

Our present national concern over cities and their problems has often focused on the shortage of qualified and imaginative public employees. The complexity of urban life and the quality of the new breed of elected officials have exposed the inadequacy and inflexibility of city government in general and the triumph of the "Peter Principle" in city staffing.

Attempts to use some of the new technologies to assist cities in solving some of the more critical problems have been ineffective because there are so few people who understand both cities and these new technologies. Proposals to improve the quality of city staffing have usually involved either ways of attracting bright young men and women to local government and improving the training they receive, as well as advanced training for existing public employees.

The critics of city government have done a much better job of identifying the problems of city staffing than they have done in suggesting workable solutions. By and large their best ideas have to do with doing more of what has been so unproductive in the past and overlooking some rather obvious and simple steps that most cities could take to help themselves.

It may be that the problems of our cities seem so large, complex, and unresolvable that we have overlooked the simple fact that we are not utilizing the human resources that are already on our payroll. A short visit with almost any city employee, whether he be in the refuse division, the police department, or on the planning staff, will prove my point. The creativity and imagination that is part of every man's nature is not being used as part of his job, but is being released in hobbies and non-employment-connected avocations. It is almost as if city government told the employee to keep his best qualities at home and bring to work only a slavish "follow-the-leader" dedication to "this is how we have always done it." This has produced frustrated and disgruntled employees whose actions are often unresponsive to the needs of citizens they are supposed to be serving. Decisions and rules are

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made at some level which is remote from the government's interaction with people and often reflect an attitude based on a remote idealization of the past and not on the needs of today.

While we lament what we perceive to be resistance to change on the part of public employees, the true situation may really only reflect a resistance to change which employees are not a part of or which they correctly know to be inappropriate. If we change our attitude and organization to allow employees to bring to bear their imagination and ideas on our problems, we might find an almost miraculous change in our ability to deal with municipal problems.

The city council of Scottsdale, Ariz., has encouraged a sense of participation on the part of city employees which is beginning to pay off with a new attitude of "why not?" rather than the old "it can't be done." To encourage employees to participate in decision-making, the city used the services of a psychiatrist to re-examine its system of evaluating employees. The upshot was we let employees evaluate the job and the city, as well as their own performance. The employee was encouraged to identify the areas where he felt he needed training or where he felt the organization could be changed to increase his efficiency or where in the city staff he felt he could be most useful.

We were surprised to find that an equipment operator wanted to be a renewal representative; a police lieutenant wanted to be finance director; a police captain wanted to run the data processing system; and a permit clerk wanted to be a planner. With a minimum of training, all of these people are now doing the jobs they identified better than they were doing before, and all of the city employees have been encouraged to look at the total city operation and the part they might play in it.

By asking employees about their interests, ideas, and concerns, we found that they were often able to make valuable suggestions in areas outside their normal jobs. To take advantage of these ideas we re-structured the city organization to use teams when dealing with particular problems. A new program to deal with juvenile delinquency was devised by a team composed of the municipal judge, a police captain, the parks and recreation director, an administrative assistant, and a high school principal. The team developed its own staff, its own budget, and is operating its own program which cuts across departmental lines and is even involved in other jurisdictions such as the schools, which are not a part of our city government.

We also found that employees were anxious to expand their experiences and try other jobs. The public works department and parks and recreation department both started a program of rotating division heads. For 6 months an engineer would act as a building department chief, then serve 6 months as operating superintendent. This process was repeated with most of the professional employees in those two departments. This procedure resulted in the introduction of a number of new ideas and outlooks which have led to the reorganization of both departments.

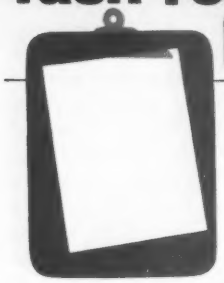
We have found that employees are willing to reorganize their own work in order to take on new and different responsibilities. The mechanics in the equipment maintenance division were able to organize their work in such a way as to be available to work with four young men who are on juvenile court probation. At the end of 18 months, the men will graduate with General Educational Development (GED) certificates, mechanic's helpers certificates, and the feeling that someone cared enough about them to invest time and effort in their future. The mechanics who did the training designed the program and put it into operation with a minimum of help and an almost complete lack of supervision. Members of the fire department developed a program for Neighborhood Youth Corps members which has resulted in the employment of a number of them as permanent firemen, both in Scottsdale and in surrounding cities. The program was their idea and they carried it out.

The idea of involving everyone in the city in solving our problems seems to have the same virulent qualities as Asian flu—everybody gets it! We now have refuse workers trained as auxiliary firemen; street employees trained as special traffic officers; finance department employees working as juvenile counselors; and Urban Corps students developing plans for a museum.

We opened our municipal intern program to any city employee who has completed college. Members of the fire, police, and parks and recreation departments have all completed 6 months of work in the city manager's office and have carried back to their departments a new appreciation for the total role that the city plays.

I am sure that many of the things we have done in Scottsdale may not be appropriate in other cities, but the idea of unlocking our employees' talents and creativity will work anywhere and produce the same total commitment to solving problems and responding to the changes in our cities.

Task Force on Job Evaluation



Among the subjects the Task Force is studying is Federal pay policy as related to job evaluation, involving considerations of equity in compensating employees, the competitive position of the Government, and fairness to taxpayers. Currently the staff is investigating the feasibility of locality salary schedules in place of a single nationwide pay plan for some categories of Federal white-collar employees, with a corresponding position evaluation plan, as for employees under the Coordinated Federal Wage System.

This major aspect of pay policy has been studied previously by Government groups concerned with the improvement of Federal job evaluation and pay systems; for example, the Personnel Classification Board in 1931, the two Hoover Commissions in 1949 and 1955, and the Interdepartmental Committee on Civilian Compensation (O'Connell Committee) in 1957. These four groups reported inter-area variations in average salaries of private sector employees in office clerical occupations and a consequent lack of comparability between the salaries of Federal employees and private sector employees in equivalent office clerical jobs in different localities.

The Federal Salary Reform Act of 1962 established the principle that "Federal salary rates shall be comparable with private enterprise salary rates for the same levels of work." In practice, Federal salaries for all categories of white-collar positions are adjusted periodically so as to be comparable with national average private enterprise salaries; and the Classification Act and other statutory schedules have nationwide application.

At present, there are available much more data concerning salary, occupational, and employment patterns than in previous years.

The Task Force's review of current salary and occupational studies indicates that the labor market for professional and managerial levels is national in scope.

On the other hand, for office clerical and related positions the labor market is local in nature. Differences among urban areas in private enterprise salary levels for office clerical occupations are still prevalent. For example, in February–March 1970, the average salary for "GS–3 equivalent" typists in the private sector was approximately $4,432 a year in Birmingham, $5,162 in Cincinnati, and $6,361 in Detroit. The fourth step rate for GS–3 is $5,734 a year.

Except for hiring to fill positions in the departmental service in Washington, D.C., and in overseas area, Federal clerical employees are recruited from local labor markets. In view of this fact, and since salaries paid by private enterprise for office clerical occupations vary significantly among the different areas of the country, there is serious reason to investigate and consider the question of what constitutes true comparability of salaries for Federal clerical employees: Whether to continue using a nationwide salary schedule based on comparability to "national averages" in private enterprise or to change to locality salary schedules based on comparability to area prevailing salaries in the private sector. It is also pertinent to ask which is fair to the taxpayer.

CSC Checklist

A selection of recent CSC issuances that may be of interest to agency management:

• FPM Letter 335–7, Concurrent Consideration to Outside Candidates Under the Federal Merit Promotion Policy:

—Reminds agencies that outside candidates are to be considered along with agency employees when filling high level positions and also points out that concurrent consideration should be given, when appropriate, at lower levels to candidates eligible for Veterans Readjustment Appointments, displaced employees, transfer and reinstatement eligibles, and those on civil service registers.

• FPM Letter 532–17, Implementation of Environmental Differential Pay Plan:

—Authorizes environmental differential pay for wage employees under certain hazardous or hardship conditions.

• FPM Letter 550–57, Changes in Allotment Regulations Governing Dues Withholding for a Labor Organization:

—Permits dues withholding for associations of management officials and supervisors if agencies have established official relationships with the associations under the terms of Executive Order 11491.

• FPM Letter 771–3, Regulations for Agency Appeals Systems and Agency Grievance Systems:

—Provides greater equity to employees who appeal adverse actions or who have grievances against their agencies.

• FPM Letter 831–25, Civil Service Retirement—Creditability of Certain National Guard Service:

—Modifies the retirement laws to permit certain kinds of service in the National Guard to be credited toward retirement and for other purposes.

—Mary-Helen Emmons

new on the federal scene

Public Service Careers Program

by Alexander M. Haddon
Director, Public Service Careers Program
U.S. Civil Service Commission

Public Service Careers is alive and well and picking up momentum by the day. Funded by the Department of Labor, administered by CSC, and implemented by the agencies, the Federal component of the Public Service Careers program is developing solid job opportunities for people who enter Federal service through the Worker-Trainee register and providing upgrade training for employees in lower level jobs and dead-end positions, GS–1/5 or equivalent.

What is happening on the Federal scene is only part of the total Public Service Careers story, however. The total program, under the direction of the Department of Labor, is a nationwide effort to assist State, county, and local government agencies, as well as Federal agencies, to do their part in employing and upgrading minimally skilled persons.

The President, in a September 4, 1970, memorandum to heads of departments and agencies, asked for their full cooperation in helping to achieve the goals of the program's Federal segment. He emphasized that this effort goes beyond increasing employment opportunities in the Federal service for the minimally skilled, saying, "In addition, we have been deeply concerned with the need to increase the advancement opportunities for thousands of Federal employees currently locked in lower level jobs."

TWO FRONTS

The task is clear, and Federal managers have an active role to play on two equally important fronts.

On the one hand is their responsibility to identify the large numbers of underutilized Federal employees who are trapped in low-level jobs with little hope of advancement. With thoughtful attention to the potential of the PSC program in doing something about the plight of these locked-in workers, they can be trained and encouraged to move up in the Federal job structure. It is up to Government to lead the way, to demonstrate the value of equipping the minimally skilled to move into the mainstream of the employment market.

On the other hand is the need for Federal managers to apply the worker-trainee approach to full advantage in meeting agency manpower needs at the entry level. There are jobs that need doing at the lower skill level, and not enough people to do them. Public Service Careers gives us a means of easing critical manpower shortages by bringing into Government people with limited education and skills who can be trained to do the work.

Federal agencies that hire worker-trainees under the PSC program are granted ceiling relief for 1 year or three promotions, whichever is less, and are provided PSC funds to take care of one-third of extraordinary costs such as training, counseling, and other necessary support services. For the upgradings, funding assistance may be provided for job restructuring activities as well as for skills training.

At the present time, proposals have been approved involving several Federal agencies providing job opportunities for over 8,000 PSC trainees. However, this is only a beginning. During F.Y. 1971, the PSC program will seek to provide up to 20,000 new opportunities for Federal employees in both the entry and upgrade programs.

Adapting some of the more successful concepts of previous programs affecting minimally skilled employees, PSC is a "hire first, train later" program. Federal agencies submit brief proposals which identify target positions, outline program elements, and anticipate program costs. These proposals are reviewed by the Civil Service Commission's PSC program staff, revised with the agencies when necessary, and approved. Once an entry program has been approved, ceiling relief is granted, funds are transferred, and an agency can then select trainees (GS–1, WG–1/2, PFS–1/3) from the Worker-Trainee register, the source of all entry-level PSC trainees. Once hired by the agency, PSC trainees are full-time Federal employees with all the responsibilities and benefits of persons hired from other registers.

GUIDELINES FOR AGENCIES

In June 1970, guidelines (CSC Bulletin No. 410–52) were published describing the required program elements for all trainees under the PSC agreement. Each agency agrees to provide for trainees: An orientation to the job, the agency, and the world of work; an individual assessment of vocational and educational aptitudes and skills; an individual career development plan containing a timetable for training and promotional opportunities; continuing on-site counseling and advisory services; and special training for supervisors of PSC trainees because of the important role that the supervisor plays in the successful adjustment of the PSC trainee to the work situation.

A typical entry-level proposal developed by the Department of the Army at the White Sands Missile Range in New Mexico incorporates these required elements. Trainees will be hired to fill 50 positions as environmental test operators, mechanic's helpers, clerk-typists, supply clerks, and accounting clerks and will be trained for target positions at the WG–5 or GS–2/3 level by utilizing 75 percent of the allotted budget for skills training. Ten percent of the budget will be used for basic education, and the remaining 15 percent will be spent for counseling and advisory services, orientation, supervisory training, and administrative operations.

VARIETY OF APPROACHES

However, even though the White Sands program is typical with regard to its implementation of the program elements, agency approaches to achieving the goals of PSC vary greatly. General Services Administration has adopted the philosophy of experimenting with a small program before embarking on more extensive ones. On the other hand, the Veterans Administration has called upon all of its 250 installations in the implementation of the first nationwide program. About 25 percent of the VA effort has been funded and additional proposals are expected to provide a broad range of opportunities across the country.

One Veterans Administration proposal involves 43 locations, 299 entry-level positions, and 296 current employees who are slated for upgrade positions. Entry-level positions, including clerk, mail clerk, file clerk, claims clerk, and card punch operator at the GS–1 level, will lead to target positions of clerk GS–2/3, dictating machine transcriber GS–3/4, flexowriter operator GS–5, or card punch operator GS–3. In the area of upgrading, employees currently working as card punch operator GS–3/4, clerk GS–2/3, or electronic accounting machine operator GS–3/4 will be prepared for target positions of peripheral equipment operator GS–4/5, clerk (tape librarian) GS–4, or clerk-typist GS–4/5.

The Department of Health, Education, and Welfare and the Department of Commerce are also planning to implement national programs and are seeking maximum participation from their offices throughout the country. Entry-level positions for approximately 2,000 people and upgrading for another 1,000 are being planned by HEW. Providing a variety of excellent entry and upgrade opportunities, Commerce has included provisions for 150 entry-level positions and 75 upgrade trainees in one of its approved proposals. Target jobs as clerk-typists, card punch operators, computer operators, economic clerks, apprentice lithographers, and tradesmen are proposed for PSC trainees entering from the Worker-Trainee register as clerks, trade helpers, laboratory helpers, messengers, lithographic trainees, and flexowriter operators. Upgrading plans include moving clerks now at GS–1/5 to target positions as cartographic technicians, secretaries, computer operators, peripheral computer operators, economic aides, trade assistants, lithographic trainees, flexowriter operators, and statistic assistants, and as apprentice auto mechanics, machine tool operators, and electricians.

The Navy Department has three approved proposals involving nearly 2,000 trainees in entry and upgrade programs. Extensive participation in PSC is also expected from the Post Office Department, Department of Agriculture, Department of the Interior, and Department of Defense—all now at work developing nationwide plans.

DEVELOPMENT OF TRAINING

In addition to the PSC program staff operation, the CSC will also provide training and technical support to agen-

cies and regional installations. Most of this assistance takes the form of courses which are developed and given by the Commission but can also be adapted for presentation elsewhere.

Five courses, using small group and individualized instruction, are being developed by CSC's Communications and Office Skills Training Center. These training techniques will enable participants to grasp the subject matter in a shorter time than that required by traditional teaching methods. The courses, which vary in length from 30 to 90 hours, will be available after February 1, 1971, and will include reading and grammar improvement, office practices, basic typing, and basic shorthand. Training for instructors will also be provided so that the courses can be taught by agencies at any location.

The General Management Training Center has developed "Supervision of Low-Skilled Employees," a 40-hour course for first-line supervisors; "Management Orientation to Supervision of Low-Skilled Employees," a 2-day course for second-level supervisors; and a 3-day instructors' institute for those who will be teaching either or both of these courses in the agencies or regions. These courses have already been given at the Commission and will be repeated in the future.

Two 5-day courses for the counseling and training of lower level employees have been developed and given by the Personnel Management Training Center. Five courses are currently being developed by the Automatic Data Processing Management Training Center, which will offer 160 to 800 hours of training at both the entry and upgrade levels. They will be taught at the Commission during the last quarter of F.Y. 1971 and will be available to agencies shortly thereafter.

RESOURCES AND RESEARCH

To enable the PSC program to be more responsive to the needs of its trainees, several other supportive projects have also been implemented. A catalog of basic educational systems appropriate for use with minimally skilled employees is now available as resource information to agency personnel who are involved in such training programs. Initial research targeted for completion in June 1971 has been undertaken to describe the job behavior of worker-trainees, to analyze the relationship of employee characteristics and the work environment to job performance, and to develop recommendations concerning selection and development of worker-trainees. Another study, to be completed by January 31, 1972, will determine how best to measure the work goals and expectations of PSC employees, to compare these goals with those of other workers, and to evaluate implications of these findings for improved management of PSC programs.

PROSPECTS AHEAD

The PSC program is, indeed, well underway and—judging from results to date—the prospects of future success are most encouraging. The President's recent memorandum to heads of departments and agencies expressed his strong and continuing support of Public Service Careers in the Federal service. The cooperation of individual participating agencies speaks well for the program's future in providing lower level employees with increasing opportunities to develop their personal potential as human beings and also contribute the benefit of their improved skills to the Federal Government.

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INTERGOVERNMENTAL PERSPECTIVES

GUIDELINES ON ASSIGNMENTS

Through a sharing of talent, ideas, and experiences, intergovernmental assignments of personnel can contribute to more effective intergovernmental relations and programs. In recognition of this, the Civil Service Commission recently issued guidelines for Federal agencies on intergovernmental assignments of personnel on a temporary basis (these guides should also be of interest to State and local officials).

The guidelines discuss how Federal employees may, under current authorities, be assigned to State and local government, and how State and local personnel may be assigned to Federal agencies. Such intergovernmental assignments might be for purposes of providing technical assistance and training to, obtaining training from, or serving as an official of the government to which assigned.

The guidelines recognize that completely sufficient authority and flexibility for such assignments are lacking. At the same time, they emphasize that there already exist numerous means for arranging intergovernmental assignments.

Copies of the guidelines may be obtained by requesting FPM Letter 150–1 from the Intergovernmental Affairs Staff, U.S. Civil Service Commission, 1900 E Street NW., Washington, D.C. 20415.

OREGON GOVERNOR COMMENTS

We appreciate the favorable comments that greeted the introduction of this new *Journal* department. Among those who wrote was Oregon's Governor Tom McCall, who said, "There is, I believe, a great need to give more emphasis to intergovernmental coordination and cooperation on an area basis. The new department could contribute a good deal by highlighting new models of intergovernmental cooperation. . . ." We welcome your suggestions and contributions.

—Allen D. Heuerman

ten years of health benefits

a million kids later . . .

by
Charles J. Nelson
Assistant to the Director
Office of Public Affairs
U.S. Civil Service Commission

THE FEDERAL EMPLOYEES Health Benefits program began on July 1, 1960—now, one million kids later, it has reached its tenth birthday anniversary.

The new babies were born to families enrolled in the FEHB program and came almost entirely "prepaid" at an average cost of $291 and a 10-year total of $291 million. The significance of these new lives is not in their number alone, but in the fact that their births (except perhaps for some rascals who came ahead of schedule as a reminder that older people *don't* know everything) occurred under hospital and medical conditions which gave the infants the greatest possible chance to be born alive and protected against the knowns and unknowns that lurk at the birth of any child.

Equally as important as the care of the new babies is the security the program offers to the enrolled family or to the employees and annuitants who have elected self-only coverage. During the 10-year period when the million babies were being born, an additional $4.5 billion was paid out in benefits for employees, annuitants, and dependents for treatments ranging from the removal of warts to mental illnesses. In the first contract term (16 months), the total of benefits paid out was about $278 million. The payments have increased to where the total paid out in 1970 is estimated at $1 billion and at $1.2 billion for 1971.

Statistics on the expenditures for health benefits, no matter how impressive, do not tell the real story of the help that the FEHB program has been to enrollees and their dependents, especially where the illness has been serious or long, or both. It is important that the help has prevented financial disaster, but it is equally important that, because this financial help was available, the best in health care services could be obtained. This fact has resulted in many a possible tragic ending being turned into a happy one. To illustrate, consider these cases:

In a 7-month period one employee, whose wife was seriously ill but is now out of the hospital and recuperating, was faced with a hospital and medical care bill of almost $75,000. According to the letter to the carrier, his health plan "carried the load."

Another employee became ill with a serious kidney ailment about 1 year after he was employed and enrolled in the FEHB program. During approximately the last

2 years, his plan has paid $50,000 in health benefits.

In another case, the child of an employee has had more than $83,000 paid to date for health benefits. The child is still under treatment and benefits are still being paid.

These, of course, are examples of the highly dramatic cases, the tip of the iceberg. Below them are thousands of cases where financial protection, and the opportunity to obtain the best available health care services, have had great impact.

During the first 16 months of the FEHB program, 1.25 million persons out of a total coverage of about 5 million received benefits. During 1969, the latest year for which statistics are available, 2.9 million persons out of a total coverage of 8.2 million received benefits.

The orientation of the FEHB program toward the welfare of the people covered by it is evidenced in the law itself (P.J. 86–382, enacted September 28, 1959) and in the negotiations that have taken place since. The legislation specified that all participating health benefit plans would provide hospital care on both an in-patient and out-patient basis; medical and surgical care both in and out of hospital; obstetrical care; and supplementary benefits for prescription drugs, private nursing, prosthetic devices, and other medical supplies and services. However, unlike most beneficial legislation for Federal employees, the law did not spell out the exact benefits which were to be made available. It left these to negotiations between the Civil Service Commission, which administers the law through its Bureau of Retirement, Insurance, and Occupational Health, and the carriers who provide the health benefits plans.

Commission negotiators acted (and still do) upon the fact that it was the intention of Congress that the health benefits program provide Federal employees with the type of real financial protection that they should have (which most employees didn't have when the program was started) and that the carriers must give for the employee-Government dollar every possible benefit. Fortunately, this approach has been adopted by the carriers themselves so that, while negotiations are hard each year when contracts are reexamined, the negotiating atmosphere is more one of cooperation than of "adversary" proceedings.

When the Federal Employees Health Benefits program came into being in July 1960, it became the largest plan of its kind in the world, covering about 1.8 million employees and 3.2 million dependents. It still is the largest. It now covers about 8.2 million persons of whom about 2.3 million are employees, .4 million are annuitants, and 5.5 million are dependents.

The program has been a pacesetter in a number of other ways. Each plan is required to provide major medical coverage for its enrollees and dependents. It is estimated that at the time the program became operative the number of persons in the United States with major medical coverage was increased by about 20 percent.

In addition, no medical examinations are required for enrollment in the program, and there are no limitations on pre-existing conditions. There are no waiting periods between the time of enrollment and eligibility for benefits—including maternity benefits. In family enrollments the same coverage is provided for dependents as for the enrollee. The enrolled employee who retires on an immediate annuity for Federal service can usually carry his health benefits coverage into retirement. If the enrolled employee or annuitant dies, his enrolled dependents may continue to be covered. The spouse continues the coverage through his or her lifetime unless he or she remarries, while unmarried children are covered until age 22. If an employee is placed on leave without pay, the health benefits protection is continued for 365 days without charge to him or to the Government. Only the enrollee can cancel his coverage. Finally, if an employee leaves the Federal service prior to retirement, he has a guaranteed right to convert to an individual policy with the same carrier of his plan.

From the beginning, the participating plans have broadened their coverage. For example, at the start of the program benefits for the treatment of tuberculosis and mental illness were not allowed by some plans while others limited them, such as restricting the number of days in a hospital for which benefits would be paid. Today, in general, tuberculosis is covered just as any other disease is.

Limitations on benefits for the treatment of mental conditions have been pretty much removed. The American Journal of Psychiatry, in two different articles in an issue devoted to the subject of insurance benefits for mental illness, had this to say about the FEHB program:

"While 10 years ago such coverage for mental conditions, particularly for out-of-hospital services, was still relatively uncommon, trend-setting programs such as the Federal Employees Health Benefits program . . . sparked a period of rapid growth that is still continuing.

"Another gain occurred when the U.S. Civil Service Commission, in its negotiations with the 36 health plans offering benefits to Federal employees, succeeded in having substantial psychiatric coverage for both in-patient and out-patient care included. And the end is not yet in sight."

The benefits offered by the FEHB program for the treatment of mental conditions have improved to where today they are the same as those for physical illness for more than 80 percent of the 8.2 million covered employees, annuitants, and their dependents. Benefits for the rest of the individuals covered vary, but in general have been substantially increased both in regard to in-hospital and out-patient care.

Maternity benefits is another instance where the plans have led the way in increased benefits. At the beginning of the program there were limitations on the benefits provided for normal pregnancy and birth, with additional

benefits if there were complications. Today, most of the plans have no such limitations and maternity expenses are covered just as illnesses are. Incidentally, at the instant the child takes his first breath, he is covered as an individual and entitled to all the benefits which the particular plan provides.

The health benefits program has contributed to the welfare of the enrollees and their dependents in another way. It has improved their health habits. The assistance provided in paying health care bills has made people less hesitant about seeking treatment. This is particularly true in the case of the comprehensive medical plans which provide for preventive care along with other benefits.

Each plan participating in the FEHB program is financed by contributions from the enrollees and the Federal Government. At present, the Government contributes, on a bi-weekly basis, $8.64 for a family enrollment and $3.46 for a self-only enrollment. However, if the total premium of the plan is less than $17.28 for family enrollment and $6.92 for self-only enrollment, the Government contribution is limited to 50 percent of the total premium. On an overall basis, enrollees pay about 60 percent of the total premium cost of the program and the Government pays 40 percent. The 1971 total premium is estimated at $1.2 billion with the employees paying $700 million.

The influence of the FEHB program extends beyond its own sphere of operation. The program, started only as a fringe benefit to provide Federal employees with real health benefits protection, is now considered as an extremely important factor in the recruitment and retention of qualified Federal employees.

While the first negotiations on benefits, premium rates, etc., were going on between the Commission and the participating carriers, interest in the program was shown not only by private industry and State and local governments in this country but by firms and governments in foreign countries as well. While no survey has been made as to what parts of the FEHB program have been adopted or adapted by others involved in the business of providing health care benefits, it can be conjectured that there was impact from the beginning—and it is growing. One point related to this conjecture is that after 10 years of operation the program—with its large population, broad array of benefits, and variety of participating plans—has provided an impressive mass of practical statistical information which is available for reference.

For example, there are two Government-wide plans, each with two levels of benefits, open to all eligible employees. One of these plans is a service benefit plan which covers about 5 million persons and pays the hospital, doctors, etc., directly for the services rendered. The other is an indemnity-type plan which covers about 1.3 million persons and pays the individual directly, although the benefits can be assigned to the doctor or the hospital.

In addition, there are 15 employee organization plans which are of the indemnity type and range in number of persons covered from about 10,000 to 500,000. There are 23 comprehensive medical plans, open only to employees living in certain geographic areas, which also provide preventive care such as routine physical examinations, immunizations, well-baby care, etc. The number of persons covered by these plans ranges from as few as 600 to about 135,000.

While all the participating plans provide for basic as well as major medical coverage, there are some differences in the level of benefits offered. Further, a large number of the plans are experience-rated, which means that the amount of premiums is tied directly to the amount of benefits paid and the administrative costs of the individual plans.

The value of the experience of the Federal Employees Health Benefits program to others who are already operating health benefit programs or who are anticipating the establishment of similar programs is great, indeed. It offers guidelines regarding the kinds and extent of benefits that might be offered and the premium rates that need to be charged in order to provide such benefits.

What's in store for Federal employee health benefits during the time lapse before another million kids are born?

In the face of the continually rising health care costs, predictions are not too easy to make. It is a good bet, however, that there will be no lessening of benefits offered under the FEHB program even though costs may increase. Two points make this relatively sure. One is that the Government now pays 40 percent of the total premium cost and provisions in the law call for annual adjustment to maintain this 40-percent level. Second, from the start of the program the great majority of employees have selected the high options of the various plans which, while providing a higher level of benefits, are more costly, proving that people are willing to pay for the best in health benefits coverage.

It is an educated guess that coverage for medical treatment of alcoholism will also be expanded. A number of plans already provide such coverage, although some have dollar limitations on the benefits. Some plans also provide the same approach to medical treatment for illnesses resulting from drug abuse.

In negotiating with the carriers of the different participating plans, the Commission's position is to see that they at least provide the benefits called for in the law and to encourage the plans to expand the coverage for those illnesses, etc., which experience clearly shows need covering.

One final prediction, made with full confidence in the potential of the FEHB program, is that the participating plans will keep pace with—and often lead—plans of other large employers. And most certainly the program will continue to be a viable one, aimed at providing for the health benefits needs of people. People, working for people, is what we're all about, after all.

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EMPLOYMENT FOCUS

FEDERAL EMPLOYMENT CHARACTERISTICS

In the last issue we took a look at one segment of the Federal civilian work force—the scientists and engineers who are playing an increasingly important role in our daily lives. But what about the Federal work force as a whole? Data from the Civil Service Commission's annual occupational survey categorize Federal personnel by occupational type, work schedule and sex, as well as by occupation. We can, without getting too bogged down in details, take a look at some of the results of the survey and get an idea of the general civilian manpower composition of the Federal Government.

1969 OCCUPATIONAL SURVEY

During the period October 1968 to 1969, total Federal civilian employment dropped by some 15,600, excluding the National Guard Technicians who became Federal employees on January 1, 1969, by Public Law 90–486. Survey results indicate that, of the 2,725,371 Federal employees on board at the end of October 1969, approximately three-quarters were classified as white-collar—and of these, 1 in 3 was a woman, compared with the blue-collar woman-to-man ratio of 1 to 10.

MORE WOMEN EMPLOYEES

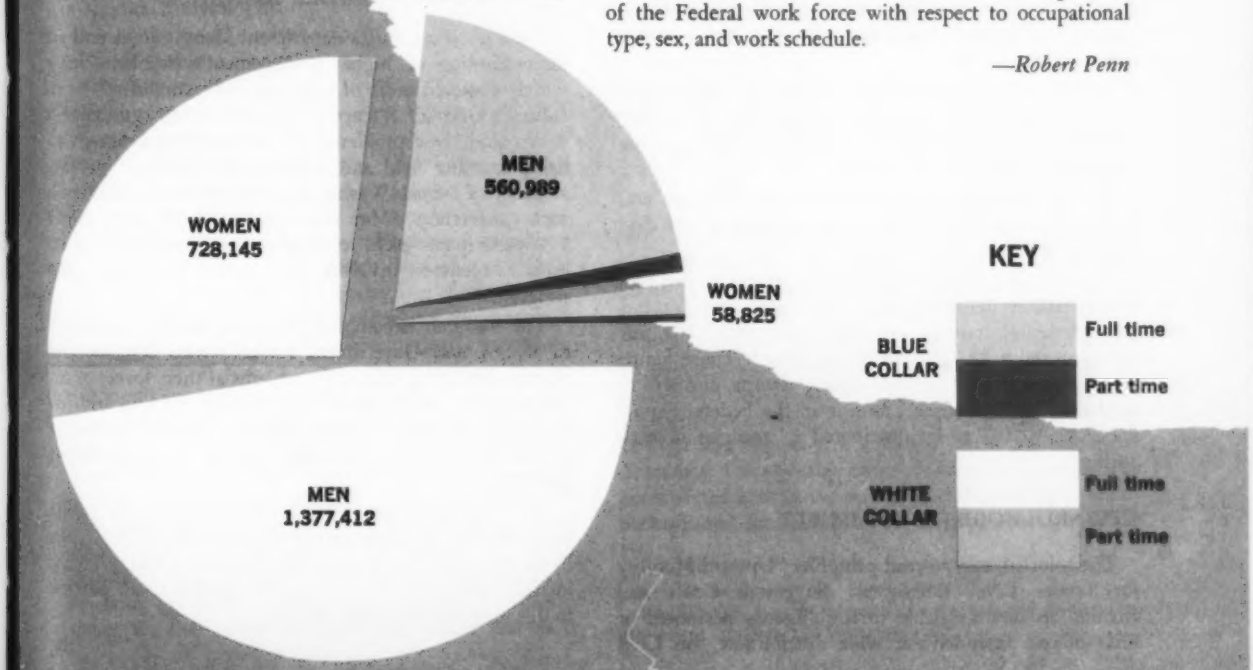
Although total employment decreased, the number of women increased by about 1.2 percent (9,612) from 1968 to 1969. Women in part-time and intermittent positions increased by 22 percent while men in such positions numbered some 4,600, or 5 percent fewer. Full-time employment showed decreases in all three categories (total, −.9 percent; men, −1.1 percent; and women, −.4 percent).

EMPLOYMENT BY WORK SCHEDULE

About 94 percent of all Federal employees work on a full-time basis. The 1969 total of 2,568,554 represents a decrease of some 23,500 since 1968. Employees serving on a part-time or intermittent basis showed a net gain of almost 7,900 during the same period for a total of 156,817 persons in less than full-time positions.

The table and chart below summarize the composition of the Federal work force with respect to occupational type, sex, and work schedule.

—Robert Penn



Orange areas represent part-time and intermittent employment. Of the 1,377,412 white-collar men and the 728,145 white-collar women, part-time employees numbered 72,869 and 63,758, respectively.

Just over 2 percent (13,620) of the 560,989 blue-collar men, and 11 percent (6,570) of the 58,825 blue-collar women, were in less than full-time positions.

TRAINING DIGEST

F.Y. 1970 TRAINING AT A GLANCE

During F.Y. 1970, 63 Federal agencies reported over a million instances of formal classroom training of at least 8 hours. This training was received by all levels of employees, in all pay systems, and utilizing either internal, interagency, or non-Government resources. The distribution of the training was as follows:

- Training instances numbered 1,077,653 out of a Federal civilian population of some 2,819,000. This is an increase of 5 percent since 1967.
- Although about one-third of the Federal civilian population participated in training, the time they spent in training accounted for only 1 percent of total Federal man-hours.
- Approximately 75 percent of the trainees were men and 25 percent women, compared to 77 percent and 23 percent last year.
- Sixty-four percent of those trained were General Schedule employees, 13 percent were Wage System employees, 16 percent Postal Field Service, and 7 percent in other pay systems.
- Fifteen percent of those trained received professional, scientific, and engineering training; 38 percent technical training; 23 percent supervisory training; and 24 percent other types of training.

Of the 169,420 instances of training through non-Government facilities, 1,665 were in excess of 120 days. This is 190 less than in F.Y. 1969.

The cost of training, including tuition and related fees, transportation, per diem, and other related costs (excluding salaries of trainees and staff), was about $87 million—or about $87 per employee trained. These figures were compiled from agency training reports, and will be published in "Employee Training in the Federal Service for F.Y. 1970," to be distributed to agencies in early spring.

UPWARD MOBILITY PAMPHLET

The colorful, easy-to-read pamphlet "Upward Mobility for Lower Level Employees: Suggested Goals and Actions" is now available through agency personnel or EEO offices. Intended for wide distribution, this Civil Service Commission publication contains guidelines and suggestions for implementing Upward Mobility programs in eight program areas: Career systems, qualification standards, job development, career development plans, career counseling and guidance, education and training, utilization and placement, and communications. Important to trainers, managers, supervisors, personnel officers, and EEO officers and counselors, the pamphlet is also available from the Superintendent of Documents, Government Printing Office, for 35¢ (25 percent discount for 100 or more).

NEW LABOR RELATIONS CENTER

Emphasizing the importance of labor-management relations in the Federal Government, CSC has opened an interagency Labor Relations Training Center in Washington. Robert H. Hastings, former executive director of Public Service Associates, Washington, D.C., heads the new Center.

Under the management of the Bureau of Training, the Center will have as its first priority the training of managers to understand the role of unions, the negotiation and administration of labor agreements, and the effective handling and resolution of employee grievances. High priority will also be given to training in the presentation of disagreements before third party tribunals.

To serve field installations, CSC has also set up a strong labor relations curriculum in its regional training centers and executive seminar centers.

USDA GROOMS MIDDLE MANAGERS

How do you instill a department identification and an understanding of higher management's problems in a widely scattered cadre of scientists and technicians? Agriculture's Office of Science and Education has aggressively confronted these problems with an ongoing program to bring together field and headquarters mid-level professionals to a 1-week Washington conference. The first two such conferences (May and October 1970) drew some 170 participants each, representing eight of the Department's agencies involved in science and education programs.

The conferences combine plenary sessions for exposure to USDA and Government leaders (who describe the management programs and problems at their level) with assignment to small groups (for problem solving and information exchange). Each participant works on both a technically oriented problem and a people-oriented problem.

Work groups discuss alternative solutions to the problems and prepare summary papers for eventual discussion by all the conference participants. This exchange of ideas, insights, and problems has proven valuable to all parties to this innovative training venture.

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building a communications network

Is anybody listening?

by Frank P. Sherwood
Director
Federal Executive Institute

How should we be thinking about organizations that will meet the requirements of our fast-moving, post-industrial society?

Basically, we must ask them to be as fast-moving and up-to-date as the society they seek to serve. In conditions of high change we can less and less easily tolerate the organization that is not in touch with the world it serves and that is unable to change its goals. The real test of effectiveness of an organization is its ability to make wrenching changes in its goal structure as new needs develop in the society it serves.

This demand for an adaptive and coping organization has not been the basis upon which most of our current organization theory has been built. The theory has assumed a static set of objectives, with the organization's effectiveness measured in terms of its levels of accomplishment of goals. It has tended to concentrate on the organization's internal dimensions rather than on boundary relationships with the environment. It has been a closed, rather than an open, system view of organization life.

Inevitably, great emphasis has been given to using resources as efficiently as possible to achieve the stated goals. The top man was not expected to ask so much, "What should the organization be doing?" as "How efficiently is the organization performing its stated tasks?" This latter question is a much easier one for a leader to handle. As the "what" question gets raised and as it becomes recognized that government organizations must in particular be open, virtually everyone in the organization must necessarily become a part of the decision and action system. The "what to do" is determined throughout the organization, not just at the top. Such an approach affects communications profoundly. If decision and action centers are diffused broadly throughout the organization, then communication cannot be conceived in top to bottom terms alone. Indeed, there should be fewer needs for top policy statements and fewer enforcement imperatives. What I am in effect saying is that our customary hierarchical strategy of organization causes us to emphasize a communications process that is essentially single-channel. It is limited in its perspective.

In an adaptive, less hierarchical organization, the interdependencies, which have taken the place of the dependencies, require both a greater volume and higher quality of communication. There is especially a need to develop new channels of communication, moving in all directions, for virtually every decision and action. The heart of the issue is the existence of the communications network and the quality of the messages that go on the air.

BASED ON a paper given at the Federal Management Improvement Conference in September 1970.

However we may feel about the merits of my claim that our organization values are changing and must change, it is apparent to just about everyone that the tremendous complexity of our problems means that independent, insular approaches to our national needs must be superseded by interdependent, global ones. Indeed, it was the recognition of this imperative that prompted in considerable degree the creation of the Federal Executive Institute in Charlottesville. The separate units have got to learn to work together. They have to communicate.

Yet it is a measure of our problem—reaching far beyond communication—that the Federal establishment is functionally organized and elaborately specialized. Such arrangements, which worked well in a less turbulent time, have had many implications. At the leadership level they have given us highly able people with very narrow concerns. In general, our career leaders have served all their executive lives in a single department and most in a single bureau. We delude ourselves if we think there are easy ways in which a sense of interdependency and commitment to the whole can be generated under these conditions. In my view, we will have to do much more over the long run in providing mobility assignments, interagency training, and group problem-solving skills before a substantial portion of the parochialism is eliminated.

Our small organization at the Federal Executive Institute hardly deserves to be used as an illustration of these problems of organization change and interdependency. However, we are a highly specialized entity, with many disciplines represented on our faculty; and, in our learning community, we see the executives and the faculty performing separate functions in support of each other. The other side of the story is that, perhaps because of our size, we do not have a conventional communications gap. A survey we recently completed revealed that the formal communications channels within our hierarchical system are open and utilized.

Yet we have not solved our communications problems by any means. We are a truly temporary society, with a complete turnover every 60 days in our executive group and almost as frequent shifts in our faculty. We have great problems in forming new networks. People who should be consulted aren't. People who should listen don't. Not only does this occur because most of us have never learned to deal with interdependency but also because of very human attitudes and feelings. The statements of some faculty members are rejected by others almost exclusively on the basis of their disciplines and their known values.

Thus, while the FEI does not have a communications gap in the normal sense, we sure do have problems. They are the kinds of problems that are going to cause increasing concern in our large organizations in the future.

How the leader goes at his job is obviously a function of his perceptions of the organization and its needs. An administrator, in the last analysis, is a person who seeks to accomplish work through others.

If he sees organization in the classic, hierarchical fashion, he will continue to worry about the communications gap. He will be concerned that his subordinates do not hear him and do not follow his instructions. He will see himself as the principal point of transaction with the environment and therefore the goal setter and enforcer of those goals. He will seek to do better what is already being done.

If he sees organization as a temporary, constantly adapting collection of human beings, he will be less worried about the problems of his communications and more about those of the organization. He will be concerned that the many decision and action points in the organization have the data they need to behave responsibly in their transactions. He will be anxious that people have commitment enough and be free enough to move beyond the familiar confines and to chart new directions for the organization. He will continually ask the question, "What is it that most needs doing by this organization?"

The requirements of leadership in this latter organization move from a strategy based on authority to one based on example and modeling of behavior. In short, the leader who desires an adaptive and flexible organization must himself be adaptive and flexible. Organizations of this kind place more emphasis on the charisma and personal style of the leader; autonomy within the organization only makes it the more important that the leader provide the example.

It has always amused me that the President of Non-Linear Systems, one of the more fabled efforts to implement some of the ideas I have suggested above, is reported to have ordered, "This will now be a Theory Y organization." Openness and flexibility were ordered by the General. As might be expected, the company encountered difficulties; the President's behavior was a more powerful form of communication than his words and orders.

An organization capable of changing itself to meet new environmental demands is a learning organization. It can receive new information, relate it to its experience, and design new behaviors in accord with its analysis. Essentially, a learning organization is composed of individuals who are learners.

It may seem obvious that leaders ought to be learners; and it might be assumed that leaders get to the top because they are learners. Interestingly, such assumptions are both true and untrue. True in the narrow sense, untrue in the broad sense. Observe that the career leadership of the Government has been along specialized and relatively narrow paths. The learning requirement has tended to be in terms of these specializations; and it has been within an accustomed frame of reference. Our executives have been learners in this respect.

The learning skills required were the same as those they acquired in youth. They involved finding a teacher and acquiring his knowledge, using a language that was familiar. As we move into areas where we are less sure

of what we need to know, as with the executive role, these accustomed ways of learning serve us less well.

At the Federal Executive Institute we have talked a great deal about learning from each other, on the valid assumption that none of us has the full answer and each of us has something to contribute. Yet we have found it no easy task to talk to each other. We are all well educated adults (more than half with master's degrees), but we do not communicate easily. Though partly a matter of different words, it is more fundamentally a variance in perspectives and ways of going at things. Thus the question of learning in the broad sense is raised.

At the FEI we place a group of about 25 paperback books in each room. They are not an "essential" library for executives. They are 25 books that Government leaders might find it useful to review. While we are rather careful to make that point, we do frequently get the criticism that we ought to provide instructions for reading them, including the order in which this ought to occur. Some have been disappointed that they invested time in reading several books, only to conclude they were not particularly useful. They felt we should have seen to it that did not happen.

In effect, we have to revise radically the ways in which we go at learning as members of organizations. The burden is particularly on the leaders. We can no longer afford to simplify life by admitting only those communications that are in accord with our values, understandings, and predispositions. In fact, we have to reach out to encounter situations of conflict. I have been surprised, for example, how few career executives have had a peer relationship with a black, have had significant social contact with minorities, or who have even been in a ghetto.

There must also be recognition that learning is not an isolated event. It is the condition of change. It is surprising—and discouraging—how frequently executives tell us at the Institute that there is no desire for change back home. Learning is okay as long as you don't use what you learn. Instead of giving support for personal growth and learning as the necessary basis for organizational learning, a good many top-echelon people do not prize the process. Much too often we hear of bosses who equate a training experience with a vacation. Obviously such leadership cannot be expected to provide the necessary basis for an organization that is able to move with the times. Almost without exception, the organizations that I respect as effective have leaders who are themselves learners.

In a very real sense this approach emphasizes the importance of the leader's nonverbal communications. Summed up, the organization will be influenced more by what he does than what he says others should do. There is no way to get by on the cheap. If a leader wants an organization to think ahead and take risks, he had better engage in that kind of behavior himself.

This focus on what the leader does as the most critical form of communication gives the use of time special importance. Quite obviously, how a person spends time—his scarcest resource—defines what he prizes most. The eminent political scientist, Harold Lasswell, has told the story of the bureau chief who could not understand why his relations with Congress were so poor. Lasswell suggested he keep a diary of his activities for 1 month. At the end of that time it became quite apparent that the bureau head spent very little time on Hill relations. Here was a case where the leader had apparently not faced up to the personal investment required to build better communications.

"The heart of the issue is the... communications network!"

In a study of the use of time by the leader of a large R&D organization, it was found that there was a vast difference in the amount of his contact with the various department heads. In one case it was almost zero. The leader had not been aware of these differences and concluded that they were the result of many factors, not the least of which was the initiative and interest of the subordinate. Though the question was not raised in this study, I suspect there is a tendency on the part of most of us to restrict contacts with those who are the most irritating or troublesome. It is altogether human to move toward people with whom we can relate comfortably.

Hence the diary is sometimes useful in making sure that every perspective, confirming and disconfirming, is getting leadership attention.

A number of years ago Herbert Simon, another outstanding student of human behavior, advanced his Gresham's law of planning and time use. Essentially, it is that routine matters drive planning and nonprogrammed activity from the executive workday. A number of experiments have been completed that support the basic truth of such a law. In training sessions, for example, I have used an exercise that asks participants to spend an equal amount of time engaging in a routine operation and in evaluating the worth of the exercise in learning about budgeting. The routine work cannot normally be done in the time allowed; and many participants therefore never get to the nonprogrammed, evaluative portion of the exercise. There is a great tendency to concentrate on that which is visible and measurable.

In this respect, the executive who wants to model innovative and adaptive behavior would do well to have in mind the difference between programmed and nonprogrammed activity. Programmed events do not involve only forms and signatures; they are all those things for which patterns and precedents have been set. They represent no new input to the organization. Nonprogrammed activity, on the other hand, involves the unique requirement, the handling of a problem or a possibility that is a new test for the organization.

A diary of time use and the categorizing of such time into programmed and nonprogrammed activities may or may not be helpful to the individual executive. They are only two possibilities. What does seem clear, however, is that each of us needs to hold up the mirror in one way or another. We need to find ways in which we can get a fairly neutral view how our behavior is seen by others and therefore functions as a model for the organization. Most executives, unfortunately, have not consciously sought to devise such mirrors.

Allow me to hold up briefly a mirror for most public executives. It reveals a person who is good at doing his thing but not much good at solving problems with others. As we recognize our interdependencies and get away from the idea that problems can be neatly compartmentalized, we will have to learn how to work in groups better.

Most executives who come to the Federal Executive Institute really do not understand the dynamics of group behavior, even though they spend much of their time this way. They are impatient when they are asked to look at what they have been doing, how roles have been enacted, and so forth. Yet, after they have left the Institute, they report that their greater awareness of these processes has helped them in their tasks. The interdependent, temporary systems of the future will demand more of leaders and members in this respect.

Most of what I have said about personal style thus far has been in terms of the leader's relations with his followers. This is the burden of the argument that a leader's behavior is a most significant determinant of organization outcomes.

In the executive branch, which is a very deep hierarchy, each of us has a responsibility upward, ultimately to the President. Understandably, the hierarchical stress in these relations puts the accent on dependence. We are prone to say it's the boss' problem to tell us what he wants.

I do not mean to underestimate the problems in these relationships, particularly when they involve political executives. When a person thinks of interdependence, however, I believe he is more apt to ask whether he has done all that he can do to help the organization.

Perhaps most importantly in an organization as vast as the executive branch, we have to think of communication networks that do not in fact exist. It is not fanciful, I believe, to suggest that every bureaucrat ought to make it his business to be in touch with his President. What I have in mind is more than reading a President's speeches, though that is important. It involves a certain amount of daydreaming. We need to personalize the rhetoric and put it in terms that have behavioral significance for each of us. And it turns out that is not easy. Most of us are too "practical" to feel comfortable with conjecture.

One of the historic failures at the Federal Executive Institute was an exercise we developed to build a better awareness of the President and his imperatives. We asked the executives to think of themselves as a task force assembled by President Nixon to advise him on the use of his time. The irritation was monumental . . . "a kaffee klatsch," "the blind leading the blind," "barbecue conversation," etc.

Yet I think that is what we must learn to do. If we insist on data and personal experience, we can never identify with the problems of the top leadership of the society. A little imagination, helped by formal documentation, probably would bring us a lot closer to the mark than we realize. In any case, the reality is not so important as the sense of identification with the whole.

It is probably quite obvious why I have felt it important to make this point. We are a very large, highly specialized, quite dependent system. We have got to find ways to break out of our areas of expertise, to accept the limitations of data, and to take responsibility for a type of communication in which the top man can never directly

engage. As I have indicated by our experience at FEI, this is not an easy undertaking; and we have not learned how we can effectively help in this process.

My remarks have been built upon a relatively simple but highly crucial assumption, namely, that an environment experiencing high change requires organizations similarly capable of change. This means, most of all, capability to change the most basic organization goals. Yet our organization theory has tended to assume goals as givens. The concept of a communications gap has been consistent with these orientations. It has had a single-channel preoccupation with the information that flows between superior and subordinate.

In an adapting, temporary organization the problem does not lie in a single channel. It is much more a matter of network construction to accommodate changing organization relationships, with the sense of interdependence basic to the undertaking. Further, the concept of a gap helps very little with problems of quality in communications; and quality is basic to eliciting motivation, responsibility, and commitment in the organizaton.

In all this the behavior of the leader is a central consideration. More than what he says, what he does sets the tone for the organization. Particularly as we move from a highly routinized organization to one with fluid goals, the leader's behavior becomes an important anchoring point for its members. I have therefore given great stress to the executive's commitment to learning as an essential in building an adaptive and changing organization.

These are very clearly difficult times in which to have responsibility for the stewardship of our large governmental organizations. The divisions in the society cause us all to yearn for a single, authoritative voice and a cohesiveness in our efforts. But it is also a society whose complexity means we need many different strategies to deal with many different problems. Ideally every one of us should feel autonomous enough and responsible enough to do our full part. A communications process that contributes to such behavior in our organizations should be our goal. #

EQUAL OPPORTUNITY EQUAL OPPORTUNITY

The Civil Service Commission has approved a change in the requirements for promotion and other in-service placement for a number of Federal positions at the GS–5 and GS–7 levels which previously required passing the Federal Service Entrance Examination. Under the new policy, it will no longer be necessary for Federal workers to pass the test in order to be considered for these positions.

The new policy is expected to open advancement opportunities for lower graded employees who might be screened out by the earlier passing score requirement. The change will contribute to the goals of the Government's upward mobility program and provide more advancement opportunities for members of minority groups.

Agencies may continue to use the Federal Service Entrance Examination as one factor in ranking employees for promotion or position change but may not require a passing score. The test is to be used under these circumstances only in combination with other methods of evaluation, such as interviews, appraisals of potential, evaluations of experience and training, and ratings of performance. Agencies will thus be able to make a well-rounded assessment of the employee's total abilities and personal qualities which are important to success in a particular position. The change is in line with the Government's improved merit promotion program.

The occupations affected by this change in policy include: Safety Management, GS–018; Personnel Administration, GS–201; Personnel Staffing, GS–212; Position Classification, GS–221; Salary and Wage Administration, GS–223; Labor Management and Employee Relations, GS–230; Employee Development, GS–235; Management Analysis, GS–343; Budget Administration, GS–560; Public Information, GS–1081; Writer and Editor, GS–1082; and Technical Writer, GS–1083. The passing score requirement for in-service placement is also abolished in such single-agency occupations as Labor Management Reports Analyst, GS–301; Rent Supplement Assistant, GS–301; Alcohol and Tobacco Tax Inspector, GS–1854; and Customs Entry and Liquidation, GS–1894. This method of evaluating employees for promotion using a combination of evaluation methods and without a passing score on the written test was already in effect for the many other occupations that are filled primarily from the Federal Service Entrance Examination.

The change in policy affects only the evaluation of employees for promotion or reassignment in the occupations that are affected. Men and women who are applying for Federal employment for the first time in jobs that are filled through the Federal Service Entrance Examination must still pass the test, unless they have a grade point average of 3.5 or have a sufficiently high score on the Graduate Record Examination, or graduate in the top 10 percent of their college class, or complete 36 weeks of employment as a cooperative education student.

—James Frazier, Jr.

RECRUITERS ROUNDUP

TOMORROW'S TALENT

What do today's recent college graduates expect when they enter their first jobs? Commissioner L. J. Andolsek, in a speech given October 29 to the College-Federal Agency Council at Monticello, N.Y., told an audience of educators and Federal officials what young people have said they want. Some of his remarks were:

"As far as Federal personnel management is concerned, I would say that a primary need for Government managers is to understand and to respect young people for what they are.

"As managers we need to know what it is that the young people are seeking, what they are concerned about, and what they are looking for. . . . I would venture that young people today want what most of us wanted when we were younger. . . . They want an opportunity to do things that have meaning. . . .

"They want a chance, a chance to show what they can do. They want an opportunity to influence the world in which they live and the events that shape their lives.

"What do young people expect of us today as educators and Government officials? They expect, first of all, that we relate to them. . . . They want to be heard, no less than you and I do.

"The greatest error that Government managers and supervisors sometimes make today is the error of indifference. Nothing is more difficult for the young inexperienced employee to cope with than the supervisor who couldn't care less, who is "turned-off," who thwarts ambition with cold indifference.

"A close second in the order of managerial errors is the supervisor who does not realize that the recent college graduate may need help in finding his role as a subordinate. The new graduate is determined to show what he can do. If we have done the right kind of recruiting, the new employee has ideas, and he wants to see them in action. . . . Today's supervisor, then, needs to help the new employee adapt to that role, but not isolate him in it—and to show him the channels through which he can reach the top."

FEDERAL SERVICE ENTRANCE EXAMINATION

Nationwide, about 4 percent of college seniors took the Federal Service Entrance Examination (FSEE) during F.Y. 1970. Of persons making an eligible score in the examination, 88 percent were college graduates; 54 percent were men; and 78 percent were under 30.

Business administration, economics, history, political science, and English and journalism majors accounted for nearly 48 percent of the FSEE hires in a recent sampling of 1,800 graduates who took the test and were selected in F.Y. 1970. Business administration majors lead in selections studied, with 16 percent of the total; economics, political science, and history had 8 percent each; English and journalism, 7 percent. Although most candidates with backgrounds in accounting, physical or biological sciences, engineering, or other specialized fields entered Federal service through specialized examinations, a few in each specialty entered through the FSEE. Graduates with majors in almost every field entered Government through the FSEE.

About 30 percent of 7,867 candidates hired from FSEE registers during F.Y. 1970 entered five occupational fields: General administration, economics, personnel management, computer sciences, and taxation. Many jobs in these fields are designed as trainee positions and have no special qualifications other than a bachelor's degree or 3 years of responsible experience. Although more candidates were eligible at GS–5 than at GS–7, more were hired at GS–7. This may have been due to the availability of a large number of highly qualified candidates on this year's FSEE registers. Men accounted for 64 percent of the selections; women for 34 percent.

SUMMER EMPLOYMENT

The announcement for summer employment in Federal agencies in 1971 has been issued.

A written test is required for subprofessional positions at GS–3 and GS–4, clerical jobs at GS–1 through GS–4, and PFS–5 jobs in the Post Office Department. Applications must be postmarked no later than February 3 to be accepted.

Eligibles from the 1970 summer employment examination do not need to take the test again unless they wish to improve their scores.

Students who have completed 2 years of college (60 semester hours or the equivalent) may be considered for jobs GS–1 through GS–4 and PFS–5 on the basis of a grade-point average of 3.5 or above (on a 4.0 scale) at the time of application. Students with 2 years of college and majors in engineering, physical science (mathematics is not considered to be a physical science major), and architecture may qualify under this provision with a 3.0 average since there is a general shortage of these majors.

Competition for summer jobs is extremely heavy; each year only 10 percent of the eligibles, or fewer, are actually selected for jobs.

—John W. Murtha

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WORTH NOTING (CONT.)

Interagency Advisory Group. Participating in person-to-person discussions of program, progress, and problems were 64 personnel directors, EEO directors, and Federal Women's Program coordinators from 20 major agencies accounting for 97 percent of the Federal work force.

A second conference for participation by smaller agencies was scheduled for late November in Fredericksburg, and plans were laid for a series of regional conferences in major geographic areas.

• APPOINTMENT AFFIDAVIT SF–61, revised in the light of two court decisions, is being reissued. In Stewart v. *Washington* the court found the statutory basis for Affidavit B (the so-called loyalty oath) to be unconstitutional. In *Blount v. National Association of Letter Carriers* the court held that a portion of Affidavit C, relating to assertion of the right to strike or membership in a union which so asserts, is unconstitutional.

The revised form will omit Affidavit B and the portion of Affidavit C found unconstitutional, but will retain the portion of Affidavit C relating to participation in a strike.

• MONDAY HOLIDAY LAW became effective January 1. In 1971 and each future year, four of the nine Federal holidays will always be observed on Monday: Washington's Birthday on the third Monday in February; Memorial Day, the last Monday in May; Columbus Day (new to the official Federal list), the second Monday in October; and Veterans Day, the fourth Monday in October.

Five of the holidays will still be observed as in the past: New Year's Day, Independence Day, Labor Day, Thanksgiving, and Christmas

• HIGHLY MOTIVATED high school students who need financial assistance to attend college will find new opportunities for summer and vacation employment under the Federal Junior Fellowship Program.

The new program announced by the Civil Service Commission, which will operate on a pilot basis in the D.C. metropolitan area during 1971, has the key feature of providing students with employment at intermittent periods throughout their entire undergraduate program. Satisfactory job and academic performance will qualify participants for reappointment at higher grade levels upon completion of their first and second years of college.

Applicants must be in the upper 10 percent of their high school class, must have college plans but lack necessary funds, and must be nominated by officials of the high school in which they are enrolled.

• DUES WITHHOLDING regulations for members of labor unions have been expanded to permit withholding of dues through payroll deduction for associations of management officials and supervisors. The organization must qualify as a "labor organization" or an "association of management officials or supervisors" with which the employing agency has established official relationships under Executive Order 11491.

• A WORLD-CHAMPION speed typist and honor university graduate who nevertheless entered Government as a clerk-typist . . . a Phi Beta Kappa attorney who is nearly blind and gained the major part of his education while able to read only 5 or 10 highly magnified letters at a time . . . and one of the world's leading research scientists in the fight against cancer are among the 1970 winners of Rockefeller Public Service Awards.

Each Rockefeller award, the highest privately sustained honor for career civil servants, carries with it a $10,000 tax-free cash grant. The 1970 winners:

For Administration, Dr. Ben Posner, Assistant Director for Administration, USIA.

For International Operations, Spurgeon M. Keeny, Jr., Assistant Director for Science and Technology, Arms Control and Disarmament Agency.

For National Resources, Dr. Aaron M. Altschul, Special Assistant to the Secretary for Nutrition Improvement, Department of Agriculture.

For Law, David L. Norman, Deputy Assistant Attorney General, Civil Rights Division, Department of Justice.

For Science, Dr. Robert J. Huebner, Chief, Viral Carcinogenesis Branch, National Institutes of Health.

• NOBEL PRIZE: Talk as we may about the high caliber of civil service scientists and the high quality of scientific research performed in Federal laboratories, there is no proof quite as convincing as the winning of Nobel prizes. Now another Federal scientist has joined the select circle of Nobel laureates: Dr. Julius Axelrod, Chief, Pharmacology Section, National Institute of Mental Health, who was honored for his work on the basic chemical changes enabling the nerves of the human body to transmit information. Dr. Axelrod shares the 1970 prize in medicine and physiology with two other scientists, both in Europe.

—*Bacil B. Warren*

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